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Plaintiff

UNITED STATES BANKRUPTCY COURT
CENTRAL DISTRICT OF CALIFORNIA
NORTHERN DIVISION

In re	§	CASE NO. 9:18-AP-01058-DS
	§	
CHANNEL TECHNOLOGIES GROUP, LLC,	§	
<i>Debtor.</i>	§	
<hr/>		
CORPORATE RECOVERY ASSOCIATES,	§	
LLC, as Trustee for the Liquidating Trust of	§	SECOND AMENDED COMPLAINT
Channel Technologies Group, LLC,	§	
<i>Plaintiff,</i>	§	
v.	§	
BLUE WOLF CAPITAL PARTNERS, LLC,	§	
BLUE WOLF CAPITAL FUND II, L.P.,	§	
GLADSTONE INVESTMENT	§	
CORPORATION, BLUE WOLF CAPITAL	§	
ADVISORS L.P., BW PIEZO HOLDINGS,	§	
LLC, FIDUS INVESTMENT	§	
CORPORATION, FIDUS MEZZANINE	§	
CAPITAL II, L.P., AVANTE MEZZANINE	§	
PARTNERS SBIC, LP, AVANTE	§	
MEZZANINE PARTNERS II, INC., PENGDI	§	
HAN, DHAN, LLC, GRANT THORNTON,	§	
LLP, CTG ADVANCED MATERIALS, LLC,	§	
CTS CORPORATION, ELECTRO OPTICAL	§	
INDUSTRIES,	§	
<i>Defendants.</i>	§	

1 Plaintiff Corporate Recovery Associates, LLC, solely in its capacity as Trustee for the
2 Liquidating Trust of Debtor Channel Technologies Group, LLC (“Plaintiff”) files this Second
3 Amended Complaint against Blue Wolf Capital Partners, LLC, Blue Wolf Capital Fund II, L.P.,
4 Blue Wolf Capital Advisors L.P., BW Piezo Holdings, LLC—(collectively, the “Blue Wolf
5 Entities”)—Defendants Fidus Investment Corporation; Fidus Mezzanine Capital II, L.P., Avante
6 Mezzanine Partners SBIC, LP, Avante Mezzanine Partners II, Inc.—(collectively, the
7 “Mezzanine Lenders”)— and Defendants Gladstone Investment Corporation, Grant Thornton,
8 LLP, CTG Advanced Materials, LLC, CTS Corporation, Electro Optical Industries, Pengdi Han,
9 and DHAN, LLC and respectfully shows as follows:

11 **I.**
12 **SUMMARY**

13 1. This is a fraudulent transfer case. In an abuse of the corporate form, Blue Wolf
14 Capital Partners organized and structured a series of shell corporations to nominally separate the
15 assets and liabilities of CTG despite running CTG, its parent company and sister company, as
16 alter egos of each other. Facing financial difficulty in 2016, the Blue Wolf Entities sold CTG’s
17 de facto assets for over \$70 million and distributed \$30 million to themselves, their equity
18 partners, and others involved in the transactions. Insufficient funds were retained or distributed
19 to CTG for the protection of its creditors. Later that year, and having already disadvantaged
20 CTG’s creditors, the Blue Wolf Entities put CTG into bankruptcy. The bankruptcy left
21 approximately \$35 million in unsecured general creditors such as small vendors and the U.S.
22 Navy holding the liabilities while distributed more than that amount earlier that year to
23 themselves Defendants.
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II.
PARTIES

2. Plaintiff Corporate Recovery Associates, LLC is a California limited liability company and Trustee for the Liquidating Trust of Debtor Channel Technologies Group, LLC.

3. Debtor Channel Technologies Group, LLC (“CTG”) is a California limited liability company.

4. Defendant Blue Wolf Capital Partners, LLC (“Blue Wolf Capital Partners”) is a Delaware limited liability company, with its principal place of business in New York, New York. It has already been served and made an appearance through counsel.

5. Defendant Blue Wolf Capital Fund II, L.P. (“Blue Wolf Capital Fund”) is a Delaware limited partnership, with its principal place of business in New York, New York. It has already been served and made an appearance through counsel.

6. Defendant Gladstone Investment Corporation is a Delaware corporation. It has already been served and made an appearance through counsel.

7. Defendant Blue Wolf Capital Advisors L.P. (“Blue Wolf Capital Advisors”) is a Delaware limited partnership, with its principal place of business in New York, New York. It has already been served and made an appearance through counsel.

8. Defendant BW Piezo Holdings, LLC (“BW Piezo”) is a Delaware limited liability company, with its principal place of business in New York, New York. It has already been served and made an appearance through counsel.

9. Defendant Fidus Investment Corporation is a Maryland corporation, with its principal place of business in Evanston, Illinois. It has already been served and made an appearance through counsel.

10. Defendant Fidus Mezzanine Capital II, L.P., is a Delaware limited partnership,

1 with its principal place of business in Evanston, Illinois. It has already been served and made an
2 appearance through counsel.

3 11. Defendant Avante Mezzanine Partners SBIC, LP is a Delaware limited partnership,
4 with its principal place of business in Los Angeles, California. It has already been served and
5 made an appearance through counsel.

6 12. Defendant Avante Mezzanine Partners II, Inc., is a Delaware corporation, with its
7 principal place of business in Los Angeles, California. It has already been served and made an
8 appearance through counsel.
9

10 13. Grant Thornton, LLP is an Illinois limited liability partnership, with its principal
11 place of business in 171 N. Clark Street, Suite 200, Chicago, IL 60601. It has already been served
12 and made an appearance through counsel.

13 14. CTG Advanced Materials, LLC is a Delaware limited liability company, with its
14 principal place of business in Bolingbrook, Illinois. It has already been served and made an
15 appearance through counsel.
16

17 15. CTS Corporation is a Delaware corporation, with its principal place of business in
18 Lisle, Illinois. It has already been served and made an appearance through counsel.

19 16. Electro Optical Industries, Inc. is a Delaware corporation, with its principal place
20 of business in Goleta, California. It has already been served and made an appearance through
21 counsel.
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23 17. Defendant Pengdi Han is a natural person and resident of Washington. He has
24 already been served and defaulted.

25 18. DHAN, LLC is a Washington limited liability company, with its principal place of
26 business at 3236 Justamere Road, Woodridge, IL 60517. It has already been served and
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1 defaulted.

2 19. CTG alleges that at all relevant times alleged herein there existed a unity of interest
3 and ownership between BW Piezo, CTG, and CTG Advanced Materials, and each of them, such
4 that any individuality and separateness between them has ceased to exist. Adherence to the
5 fiction of the separate existence of BW Piezo, CTG, and CTG Advanced Materials from one
6 another would permit an abuse of the corporate privilege, would sanction fraud, and promote
7 injustice.
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9 20. In addition, and alternatively, CTG alleges that at all relevant times, Blue Wolf
10 Capital Partners was operating BW Piezo, CTG, and CTG Advanced Materials as a single
11 business enterprise. Blue Wolf Capital Partners, through its domination and control of Blue Wolf
12 Capital Advisors, managed Blue Wolf Capital Fund, and directed and used Blue Wolf Capital
13 Fund to dominate and control BW Piezo to dominate and control CTG and CTG Advanced
14 Materials. CTG alleges that all relevant times alleged herein, BW Piezo, CTG, and CTG
15 Advanced Materials were agents, employees, representatives, partners, subsidiaries, affiliates,
16 and/or joint venturers of Blue Wolf Capital Partners, and in undertaking the actions complained
17 of below were acting within the course and scope of such relationships and with the knowledge,
18 authorization, consent, and ratification of each other.
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20 **III.**
21 **JURISDICTION**

22 21. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §§157 and 1334,
23 and 11 U.S.C. §523. This matter constitutes a core proceeding within the meaning of 28 U.S.C.
24 §157(b)(2)(I) and (O). Venue is proper in this District pursuant to 28 U.S.C. §§1408 and 1409
25 because the Debtor's bankruptcy case is pending in this District and the causes asserted herein
26 arise under the Bankruptcy Code and arise in a case under the Bankruptcy Code.
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**IV.
FACTS**

A. Blue Wolf Capital Partners Acquires CTG

22. CTG designed and manufactured piezoelectric ceramics, transducers, sonar equipment, and other related products sold primarily to military, commercial, and industrial customers in the United States and internationally. CTG was founded in 1959 and was based in Santa Barbara, California.

23. Blue Wolf Capital Partners is a self-described “special-situation” private equity investment firm that targets the acquisition of middle-market companies facing structural, financial, or regulatory issues. After acquiring a company, Blue Wolf Capital Partners establishes a mezzanine structure of shell companies. Through its domination and control of these shell companies, Blue Wolf Capital Partners exercises control over its acquisition.

24. Sometime in 2011, Blue Wolf Capital Partners learned that CTG may have been facing financial challenges and approached CTG’s owner, Alta Properties, Inc., about acquiring CTG. On or about December 2011, Blue Wolf Capital Partners, acting through its executive management team of Adam Blumenthal, Haranjeet Narulla, and Charles Miller among others, reached an agreement to purchase CTG. Blue Wolf Capital Partners directed one of its wholly owned and controlled subsidiaries—Blue Wolf Capital Advisors—to direct another subsidiary owned and controlled by Blue Wolf Capital Partners—Blue Wolf Capital Fund—to form and fund BW Piezo Holdings, LLC for the sole purpose of acquiring CTG. With its mezzanine structure of shell companies in place, in late December 2011, Blue Wolf Capital Partners acquired CTG as a subsidiary of BW Piezo.

25. After the acquisition, on December 28, 2011, Blue Wolf Capital Partners directed BW Piezo to execute the CTG Operating Agreement, naming BW Piezo as the sole owner and

1 member of CTG. *See* Ex. 1 (CTG Operating Agreement). The CTG Operating Agreement named
2 CTG's previous manager, Kevin Ruelas, and Pierre Chao as managers of CTG and purported to
3 vest them with the full, exclusive, and complete discretion to manage and control the affairs of
4 CTG. Blue Wolf Capital Partners, however, acting through BW Piezo, retained complete control
5 by including the following provision "[a]t any time, with or without cause and in its sole
6 discretion, [BW Piezo] may (i) change the number of Managers, (ii) remove a Manager, (iii)
7 replace a Manager or (iv) become a Manager." This provision destroyed CTG's management's
8 independence. With the looming threat of removal, a course of action that Blue Wolf Capital
9 Partners exercised frequently, Blue Wolf Capital Partners controlled CTG's management and
10 ensured that CTG was operated for the benefit of Blue Wolf Capital Partners.
11

12 26. On January 3, 2012, Blue Wolf Capital Partners issued a press release announcing
13 its acquisition of CTG. *See* Ex. 2 (Blue Wolf Capital Partners Press Release). Although, the
14 press release mentioned that Blue Wolf Capital Partners had acquired CTG through its shell
15 companies, Blue Wolf Capital Partner's press release left no doubt that it would dominate and
16 control CTG. In fact, Blue Wolf Capital Partners even announced that it would manage CTG's
17 environmental, social, and governance features, and did not mention BW Piezo.
18

19 27. On or about April 2013, Blue Wolf Capital Partners, acting through BW Piezo,
20 forced BW Piezo, CTG, and CTG's subsidiary Electro Optical Industries to enter into a credit
21 facility agreement with CIT Bank, N.A for \$5,000,000 for CTG's benefit.
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23 **B. CTG Acquires HC Materials's Assets**

24 28. After acquiring CTG, CTG's management, under Blue Wolf Capital Partners's
25 control, decided to expand CTG's business to medical, ocean, and mining applications. To effect
26 this, CTG's management began negotiations with Pengdi Han to acquire H.C. Materials, Inc.'s
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1 (“HC Materials”) assets, a crystal manufacturer with a focus on medical ultrasound imaging,
2 ocean mining, and ocean exploration systems.

3 29. In June 2013, Blue Wolf Capital Partners, acting through BW Piezo, removed and
4 replaced CTG’s management and hired Ralph Phillips as President, Chief Executive Officer, and
5 Manager of CTG. *See* Ex. 3 (Phillips Complaint). Adam Blumenthal and Haranjeet Narulla,
6 acting on behalf of Blue Wolf Capital Partners, Blue Wolf Fund, and BW Piezo, represented to
7 Mr. Phillips that CTG was in the process of acquiring H.C. Materials, and that the value of CTG
8 equity he would be awarded as compensation would include the value of H.C. Materials.
9

10 30. After hiring Mr. Phillips, CTG’s management, under the control of Blue Wolf
11 Capital Partners, continued to negotiate with Mr. Han regarding the acquisition of H.C. Materials.
12 Blue Wolf Capital Partners, acting through BW Piezo, directed CTG to hire an investment bank
13 to obtain debt financing for the purchase of H.C. Materials’s assets. Per published comments
14 from Blue Wolf Capital Partners and BW Piezo’s principal, Haranjeet Narulla, “[b]y outsourcing
15 the financing process, [Blue Wolf Capital Partners] [was] able to focus [its] attention on a
16 complex add-on M&A transaction, while [the investment bank] helped us secure multiple sources
17 of debt capital that are well-suited to support [CTG’s] future growth and strategic initiatives.”
18 *See* Ex. 4 (Lincoln Financial Press Release).
19

20 31. After exploring their financing options and evaluating their liability, Blue Wolf
21 Capital Partners decided to restructure the transaction. Instead of having CTG purchase H.C.
22 Materials’s assets directly, Blue Wolf Capital Partners, acting through BW Piezo, decided to
23 create a new entity to hold the assets: CTG Advanced Materials. Neither BW Piezo nor the new
24 entity had the financial capability to purchase HC Materials’s assets, so Blue Wolf Capital
25 Partners, acting through BW Piezo, forced CTG’s management to obtain financing for these
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1 assets.

2 32. In October 2013, Blue Wolf Capital Partners, acting through BW Piezo, forced
3 CTG and its subsidiary to join BW Piezo and CTG Advanced Materials as borrowers in the
4 Amended and Restated Credit Agreement with OneWest Bank (later CIT Bank, N.A. would
5 become OneWest Bank's successor in interest). *See* Ex. 5 (Amended and Restated Credit
6 Agreement). Under the terms of the new loan agreement, CTG increased its revolving loan
7 facility from \$5,000,000 to \$10,000,000. More significantly, though, CTG agreed to borrow
8 \$31,000,000 in a term loan and \$8,000,000 in a revolving loan facility for CTG Advanced
9 Materials.
10

11 33. At the same time, Blue Wolf Capital partners acting through BW Piezo, forced
12 CTG to enter into separate loan and investment agreements ("Loan and Investment Agreements")
13 with Fidus Investment Corporation; Fidus Mezzanine Capital II, L.P.; Avante Mezzanine
14 Partners SBIC, LP; Avante Mezzanine Partners II, Inc. (the "Mezzanine Lenders"). *See* Exs. 6
15 (Investment Agreement) and 7 (Security Agreement).
16

17 34. The terms of the Loan and Investment Agreement with the Mezzanine Lenders
18 were onerous. In exchange for (1) a security interest in all CTG's and Electro-Optical Industries,
19 LLC's assets (a CTG subsidiary), and (2) equity in Blue Wolf Capital Partners's shell company
20 and CTG's owner, BW Piezo, the Mezzanine Lenders lent Blue Wolf Capital Partners, BW Piezo,
21 and CTG \$14,000,000 to be used to purchase the assets of H.C. Materials. Moreover, the terms
22 of the agreement prohibited CTG and any of its subsidiaries from making any investments or
23 acquisitions during the term of the agreement.
24

25 35. After securing the financing, Blue Wolf Capital Partners, through BW Piezo, CTG,
26 and CTG Advanced Materials, used the loan proceeds and CTG's cash to acquire H.C.
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1 Materials's assets for \$48 million. Immediately, the Blue Wolf Entities, Mr. Blumenthal, and
2 Mr. Narulla issued press releases and represented to the public that CTG had acquired H.C.
3 Materials. *See* Ex. 8 (October 15, 2013 Press Release). Blue Wolf Capital Partners's actions left
4 CTG saddled with significant debt and limited CTG's business.

5 36. Despite these public representations, Blue Wolf Capital Partners, acting through its
6 executive management team and BW Piezo, surreptitiously decided to segregate the companies
7 on paper. The new entity named CTG Advanced Materials purchased H.C. Materials's assets;
8 however, Blue Wolf structured CTG Advanced Materials to be a sister company to CTG under
9 the ownership of BW Piezo, instead of as a wholly-owned subsidiary of CTG. Additionally, BW
10 Piezo received all of the assets of DHAN, LLC.

12 37. The paper segregation was fictional. Despite surreptitiously structuring CTG
13 Advanced Materials as a sister company, Blue Wolf Capital Partners, acting through its executive
14 management team and BW Piezo, forced CTG to use its assets to make payments to the
15 Mezzanine Lenders and to CIT Bank, N.A. pursuant to the loan agreements. Further, Blue Wolf
16 Capital Partners told Mr. Phillips that CTG Advanced Materials would be formally merged and
17 directed him to run CTG Advanced Materials as a division of CTG. *See* Ex. 3 (Phillips
18 Complaint). The companies, along with BW Piezo, were then operated as a single enterprise by
19 CTG's management.

21 38. From December 20, 2013 to December 31, 2015, CTG made regular payments to
22 Fidus Investment Corporation and Fidus Mezzanine Capital II, L.P. totaling \$1,959,987.31.
23 From December 19, 2013 to February 18, 2016, CTG made regular payments to Avante
24 Mezzanine Partners SBIC, LP and Avante Mezzanine Partners II, Inc. totaling \$1,957,300.44.

26 39. As detailed below, BW Piezo, CTG, and CTG Advanced Materials operated as
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1 alter egos of each other. The three entities commingled funds and assets of the companies. Blue
2 Wolf Capital Partners, acting through its executive management team and BW Piezo,
3 indiscriminately directed CTG to transfer funds to pay for BW Piezo's and CTG Advanced
4 Materials's liabilities, including payroll, professional services, and legal bills, and vice versa
5 benefitting those entities, as well as Blue Wolf Capital Partners and its shell companies and the
6 Mezzanine Lenders by virtue of their equity interest in BW Piezo. Further, Blue Wolf Capital
7 Partners's shell companies used the same business locations and employees, shared the same
8 control group, and shared corporate records. BW Piezo did not have an independent corporate
9 existence and served only as a conduit for Blue Wolf Capital Partners to control CTG; BW Piezo
10 had no separate employees or independent board members. BW Piezo did not even have a
11 separate bank account. Moreover, CTG and CTG Advanced Materials were held out publicly to
12 be the same entity, and even represented to the federal government that CTG had acquired H.C.
13 Materials and was its successor legal entity. *See* Ex. 9 (Dorsey Whitney Letter).
14

15 **D. CTG's Financial Struggles**
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17 40. These actions took their toll on CTG. Throughout 2014 and 2015, CTG struggled
18 to balance its finances. The onerous loan payments and loan conditions took a toll on CTG, and
19 coupled with CTG supporting BW Piezo and CTG Advanced Materials, CTG was unable to pay
20 its debts as they came due. *See* Ex. 3 (Phillips Complaint).
21

22 41. In 2015, CTG's management discovered that CTG had material liabilities that
23 threatened CTG's status as a going concern. CTG's management brought this to the attention of
24 Blue Wolf Capital Partners and Adam Blumenthal. Realizing that CTG was insolvent and facing
25 mounting debt, Blue Wolf Capital Partners and Adam Blumenthal undertook a plan to a plan to
26 liquidate CTG's assets in a manner to maximize their own recovery in the event of likely
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1 bankruptcy.

2 42. In late 2015, Blue Wolf Capital Partners, realizing that it needed to create
3 separation between BW Piezo, CTG, and CTG Advanced Materials prior to CTG's bankruptcy,
4 decided to sell CTG Advanced Materials. Blue Wolf Capital Partners hired an investment bank
5 to solicit offers for the sale of CTG Advanced Materials.

6 43. On or about January 2016, Blue Wolf Capital Partners removed Mr. Phillips from
7 his position at CTG and replaced him with Christopher Holmes. CTG was not in the financial
8 position to repurchase Mr. Phillips's ownership interests and needed to convince Mr. Phillips to
9 maintain his equity position. To do so, Mr. Blumenthal falsely represented to Mr. Phillips that
10 Blue Wolf was in the process of selling CTG Advanced Materials and misrepresented that the
11 proceeds would go to CTG. *See* Ex. 3 (Phillips Complaint).

12
13 **E. CTG Was Habitually Cash-Strapped and Desperately in Need of Operating Capital**

14 44. As noted, prior to filing for bankruptcy, CTG was habitually cash-strapped and in
15 desperate need of operating capital. Indeed, it was standard operating procedure for CTG to
16 "string along" its vendors, because it simply did not have the funds to pay its debts. By way of
17 just a few examples:

- 18
- 19 • By October of 2015, BW Piezo board minutes indicate that CTG was in poor financial
20 shape and was walking a "tightrope." *See* Ex. 10 (attachment to 2/5/16 email from L.
21 Chen to K. Carrington). In fact, by this same time, BW Piezo was already
22 contemplating the sale of CTG Advanced Materials and noting that it needed to focus
23 on "how to improve cash flow to . . . direct capital to [Advanced Materials] . . . to
24 improve the value before exit" at the expense of CTG. *See* Ex. 10 (attachment to 2/5/16
25 email from L. Chen to K. Carrington).
 - 26 • By January 2016, CTG was instructing CTG Advanced Materials that: "we do need
27 you to stretch your payments out to suppliers as much as possible . . . [a]s you know
28 we [*i.e.*, CTG] are managing our cash very tightly and will need [Advanced Materials]
to slow down the outflows as well." *See* Ex. 11 (1/27/16 email from L. Chen to S.
Hoyos). Because CTG Advanced Materials was dependent on CTG's support, Blue

1 Wolf Capital Partners made this request to delay CTG from running out of funds and
2 being forced to file for bankruptcy prior to the sale of CTG Advanced Materials.

- 3 • Unsurprisingly, then, by January 2016, CTG was insolvent and not making timely
4 payments to its vendors. Vendors were complaining to CTG of its late payments on
5 invoiced billings and failure to honor extended payment plans. *See* Ex. 12 (1/22/16
6 mail from L. Chen to J. Rumsey).
- 7 • By February 2016, CTG was lamenting its cash flow and insolvency, noting that
8 forecasts “do [] not look good.” *See* Ex. 13 (2/9/16 email from S. Hoyos to L. Chen).
- 9 • Also, by February 2016, CTG Advanced Materials could not even make its payroll
10 without borrowing funds from CTG. *See* Ex. 14 (2/17/16 email from C. Hanna to J.
11 Hager).

12 45. CTG’s precarious financial position was apparently due to a variety of factors,
13 among them:

- 14 • CTG’s assumption of CTG Advanced Material’s and other affiliates and subsidiaries’
15 liabilities and use of CTG’s capital and assets to maintain CTG Advanced Material’s
16 and other affiliates and subsidiaries’ businesses. *See* Ex. 17 (Presentation Structuring
17 CTG Advanced Materials as Subsidiary of CTG).
- 18 • The sale of Electro-Optical Industries to “a foreign interest,” which CTG reported left
19 the Department of State “appalled” and jeopardized CTG’s security accreditation. *See*
20 Ex. 15 (6/24/16 email from C. Holmes to V. Caruso); Ex. 16 (6/20/16 email from C.
21 Holmes to V. Caruso).

22 **F. Blue Wolf Capital Partners Liquidates CTG’s Assets and Prepares for Bankruptcy**
23 **Filing**

24 46. On or about March 2016, Blue Wolf Capital Partners, through its executive
25 management team and BW Piezo, sold CTG Advanced Materials for approximately \$73 million
26 to CTS Corporation. *See* Ex. 18 (CTS Corporation Press Release). Instead of returning to CTG
27 the proceeds from the sale of assets of CTG Advanced Materials, Blue Wolf Capital Partners,
28 acting through BW Piezo, structured the transaction to have CTS Corporation transfer the
proceeds to Blue Wolf Capital Partners and its shell companies, CIT Bank, N.A., the Mezzanine
Lenders, Pengdi Han, and to Blue Wolf Capital Partners insiders as bonus payments. In fact,

1 because BW Piezo did not even have its own bank account, Blue Wolf Capital Partners directed
2 CTS Corporation to transfer the proceeds from the sale of CTG Advanced Materials to Blue Wolf
3 Capital Fund.

4 47. Subsequently, and with CTG Advanced Materials's assets liquidated and
5 distributed amongst Blue Wolf Capital Partners, its insiders, and its lenders, Blue Wolf Capital
6 Partners and Mr. Holmes began to position CTG to declare for bankruptcy. Blue Wolf was
7 desperate to delay CTG's filing for bankruptcy protection for as long as possible to avoid the
8 bankruptcy preference period and protect the validity of the transfers related to the CTG
9 Advanced Materials sale. To accomplish this, Blue Wolf Capital Partners and Mr. Holmes
10 directed CTG, in April 2016, to enter a prepetition lending agreement with Blue Wolf Capital
11 Fund II, L.P., to provide a cash infusion in exchange for a security interest in CTG's assets. Next,
12 in June 2016, Blue Wolf sealed CTG's fate by selling one of its most valuable subsidiaries,
13 Electro-Optical Industries, at a cut-rate price in June 2016 to keep CTG from being forced to file
14 bankruptcy for a couple more months.
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17 48. With these actions in place, Blue Wolf Capital Partners directed CTG to file for
18 bankruptcy in late 2016 to leave the other creditors of CTG "holding the bag" while Defendants
19 enjoyed the millions in distributions from the sale of CTG Advanced Materials.
20

21 **V.**

22 **BLUE WOLF CAPITAL PARTNERS CONTROL AND DOMINATION**

23 49. The foregoing and following paragraphs are hereby incorporated by reference as if
24 fully set forth herein are made by way of information and belief, which is expected to be borne
25 out through discovery,

26 50. At all relevant times, Blue Wolf Capital Partners was operated by its Founder,
27 Managing Partner, and Managing Principal, Adam Blumenthal, and its partners, including
28

Charles Miller, Haranjeet Narulla, and Michael Ranson.

51. Blue Wolf Capital Partners owns, dominates, and controls Blue Wolf Capital Fund II, L.P. The two entities shared the same managing partner: Adam Blumenthal. In addition, Blue Wolf Capital Partners insiders, including Blumenthal, Miller, Narulla, and Ranson serve as directors for Blue Wolf Capital Fund. Blue Wolf Capital Partners uses Blue Wolf Capital Fund as a mere liability shield for the operations of Blue Wolf Capital Partners, and all funds from it and its subsidiaries are siphoned up to Blue Wolf Capital Partners and its insiders. Blue Wolf Capital Fund does not have an independent office or independent employees.

52. Blue Wolf Capital Partners uses another shell company to manage Blue Wolf Capital Fund: Blue Wolf Capital Advisors. Blue Wolf Capital Advisors is owned and operated by the same group of Blue Wolf Capital Partners insiders, including Blumenthal, Miller, Narulla, and Ranson. Blue Wolf Capital Partners structured Blue Wolf Capital Advisors, LP as the general partner of Blue Wolf Capital Fund II, LP. Blue Wolf Capital Partners uses Blue Wolf Capital Advisors as a mere liability shield to manage Blue Wolf Capital Fund, and all funds from it and its subsidiaries are siphoned up to Blue Wolf Capital Partners and its insiders. Blue Wolf Capital Advisors does not have an independent office or independent employees.

53. Blue Wolf Capital Partners used Blue Wolf Capital Advisors to direct Blue Wolf Fund to establish BW Piezo to acquire CTG. BW Piezo is not an independent entity and is made up and controlled by the same Blue Wolf Capital Partners insiders, including its Founder and Managing Partner, Adam Blumenthal, and Charles P. Miller, Haranjeet Narulla, and Michael Ranson. BW Piezo is merely a façade for the operations of Blue Wolf Capital Partners and all funds from it and its subsidiaries are siphoned up to Blue Wolf Capital Partners and its insiders. Further, Blue Wolf Capital Partners, and its agents, operate BW Piezo as a mere division of Blue

1 Wolf Capital Partners and do not respect its distinct corporate form. BW Piezo does not have an
2 independent office or independent employees.

3 54. BW Piezo, CTG, and CTG Advanced Materials were organized and operated as
4 alter egos of each other. Although Blue Wolf identified CTG and CTG Advanced Materials as
5 separate entities in organizational charts, in practice, there was no corporate separateness between
6 the two (or BW Piezo). Blue Wolf Capital Partners—utilizing its “shell company” BW Piezo—
7 routinely commingled funds and assets between the two to cover company liabilities. Among
8 other things, under Blue Wolf Capital Partners’ direction and control of BW Piezo, CTG, and
9 CTG Advanced Materials:
10

- 11 • CTG funds were used to pay for the liabilities and debts of CTG Advanced
12 Materials and BW Piezo, including payroll. *See* Ex. 19 (1/26/16 email from L.
13 Chen to C. Hanna); Ex. 20 (1/5/16 email from L. Chen to C. Hanna); Ex. 14
(2/17/16 email from C. Hanna to J. Hager).
 - 14 • CTG Advanced Materials funds were used to pay for the liabilities and debts of
15 CTG, including accounts receivable. *See* Ex. 21 (12/2/15 email from L. Chen to
16 C. Hanna).
 - 17 • Accounting between the two companies was commingled. For example, CTG
18 Advanced Materials’ revenues were accounted for as part of CTG’s overall
19 revenues. *See* Ex. 22 (1/21/16 email from L. Chen to S. Hoyos).
 - 20 • CTG funds were transferred to BW Piezo to pay out CTG Advanced Materials
21 bonuses and legal expenses.
 - 22 • CTG’s “cash flow” position was forecasted to include the “cash flow” position of
23 CTG Advanced Materials.
 - 24 • The liabilities of all BW Piezo subsidiaries were paid through CTG’s operating
25 account, and BW Piezo did not have its own separate bank account. *See* Ex. 23
26 (1/21/16 email from L. Chen to A. Ortega).
- 27
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- CTG expenses were accrued between CTG and BW Piezo. *See* Ex. 24 (1/15/16 email from L. Chen to C. Hanna).
- BW Piezo would pay for certain CTG-related expenses directly and then seek reimbursement from CTG. *See* Ex. 25 (2/2/16 email from L. Chen to D. Oldham).
- CTG incurred BW Piezo's legal, tax, and other service expenses. *See* Ex. 26 (3/8/16 email from C. Hanna to A. Ortega).
- Legal expenses incurred in relation to CTG matters were charged to BW Piezo's general liabilities. *See* Ex. 27 (1/12/16 email from L. Chen to C. Hanna).
- BW Piezo did not have its own physical location and held board meetings at the offices of CTG. *See* Ex. 10 (attachment to 2/5/16 email from L. Chen to K. Carrington).
- CTG's corporate documents and communications with auditors represented CTG Advanced Materials as a "division" of CTG. *See* Ex. 28 (pdf attachment to 12/26/15 email from L. Chen to D. Ligon); Ex. 29 (attachment to 1/19/16 email from L. Chen to J. Cherry).
- CTG Advanced Materials was represented in government submissions and public press releases as being a subsidiary of CTG. *See* Ex. 9 (Dorsey Whitney letter).

55. In addition, and in the alternative, Blue Wolf Capital Partners, through its shell companies and executive management team, formed, organized, and operated BW Piezo, CTG, and CTG Advanced Materials to evade government regulation, legal obligations, and debt obligations, including national security related regulations and bankruptcy laws.

56. In addition, and in the alternative, the Blue Wolf Entities allowed the entities to operate with inadequate capital for the type of business they were conducting, siphoning CTG's assets and capital to repay Blue Wolf Capital Partners and make distributions to themselves.

57. In addition, and in the alternative, Blue Wolf Capital Partners operated BW Piezo, CTG, and CTG Advanced Materials as part of a single business enterprise for the reasons stated

herein.

VI.

CTG'S CREDITORS LEFT WITH INEQUITABLE RESULT

58. Blue Wolf Capital Partners's abuse of the corporate form is inequitable because Blue Wolf Capital Partners, Blue Wolf Capital Fund, Blue Wolf Capital Advisors, BW Piezo, and CTG Advanced Materials reaped the benefits of holding out and treating CTG and CTG Advanced Materials as the same entity but left CTG's creditors to pay for that arrangement.

59. Blue Wolf Capital Partners, and its principals, including Blumenthal, Miller, Narulla, and Ranson, completely dominated and controlled Blue Wolf Capital Fund, Blue Wolf Capital Advisors, and BW Piezo. Through these entities, Blue Wolf Capital Partners dominated and controlled CTG and CTG Advanced Materials.

60. Blue Wolf Capital Partners controlled CTG's management and board of directors and directed CTG in every major decision, including whether to acquire companies or make payments to vendors. Blue Wolf Capital Partners frequently exercised its power to remove and replace CTG's managers and appointed its own principals, including Charles Miller, Vic Caruso, and other Blue Wolf Capital Partners's partners and employees.

61. Blue Wolf Capital Partners forced CTG to enter into and secure oppressive loan agreements for the sole benefit of BW Piezo and itself, forced CTG to make payments on these loans that did not benefit CTG, forced CTG to pass on corporate opportunities, such as the acquisition of HC Materials's assets directly, and forced CTG to pay for CTG Advanced Materials's and BW Piezo's liabilities and debts—all without CTG receiving any reasonably equivalent value. These actions were not in the best interest of CTG, limited CTG's growth, and depleted the assets available to satisfy CTG's debts. Conversely, these actions enriched BW Piezo and CTG Advanced Materials as they did not have to expend their own resources and

1 benefitted from the allocation of assets.

2 62. Moreover, because Blue Wolf Capital Partners made repeated public and private
3 declarations that Blue Wolf Capital Partners controlled CTG and that CTG owned CTG
4 Advanced Material, CTG's creditors relied on these declarations to their detriment. In sum, Blue
5 Wolf Capital Partners received the benefits resulting from perceived and implied increased
6 creditworthiness while purporting to insulate itself from having to satisfy those creditors' debts.
7

8 **VI.**
9 **CAUSES OF ACTION**

10 **A. Avoidance of Actual Fraudulent Transfers Under 11 U.S.C. §§ 548(a)(1)(A) and 550(a)**

11 *(Defendants Blue Wolf Capital Partners, Blue Wolf Capital Fund, Blue Wolf Capital Advisors,*
12 *and BW Piezo)*

13 *(Avoidance of Transfers to Defendants Gladstone Investment Corporation, the Mezzanine*
14 *Lenders, Pengdi Han, DHAN, LLC, CTS Corporation, CTG Advanced Materials, LLC)*

15 63. The foregoing and following paragraphs are hereby incorporated by reference as if
16 fully set forth herein.

17 64. The proceeds from the sale of CTG Advanced Materials belonged to CTG. Blue
18 Wolf Capital Partners, through its shell companies and BW Piezo, forced CTG to transfer the
19 sale proceeds to Blue Wolf Capital Partners and its creditors. The following transfers with
20 property of CTG:

21 65. In March 2016, CTG transferred \$7,264,770.39 to Fidus Investment Corporation
22 and Fidus Mezzanine Capital II, L.P. The transfer was made to Fidus Investment Corporation's
23 bank account; however, a "For Further Credit" designation was included to route the transfer to
24 Fidus Mezzanine Capital II, L.P. The transfer was made for the benefit of Blue Wolf Capital
25 Partners, BW Piezo, and CTG Advanced Materials to resolve their liabilities and obligations
26 pursuant to a loan agreement. In addition, the transfer was made for the benefit of Gladstone
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1 Investment Corporation and the Mezzanine Lenders because they owned equity in BW Piezo and
2 CTG Advanced Materials. CTG made this transfer to terminate its loan agreement and allow the
3 liquidation of CTG Advanced Materials's assets to be siphoned to Blue Wolf Capital Advisors
4 through BW Piezo and away from CTG's creditors.

5 66. Plaintiff's research and receipt of public records do not reflect any perfected lien
6 by the Mezzanine Lenders as to CTG. Therefore, at best, they would be another unsecured
7 creditor of CTG and should have shared loan repayments with CTG's other unsecured creditors.
8

9 67. In March 2016, CTG transferred \$7,263,263.90 to Avante Mezzanine Partners
10 SBIC, LP. The transfer was made for the benefit of Blue Wolf Capital Partners, BW Piezo, and
11 CTG Advanced Materials to resolve their liabilities and obligations pursuant to a loan agreement.
12 In addition, the transfer was made for the benefit of Gladstone Investment Corporation and the
13 Mezzanine Lenders because they owned equity in BW Piezo and CTG Advanced Materials. CTG
14 made this transfer to terminate its loan agreement and allow the liquidation of CTG Advanced
15 Materials's assets to be siphoned to Blue Wolf Capital Advisors through BW Piezo and away
16 from CTG's creditors.
17

18 68. In March 2016, CTG transferred \$1,340.39 to Avante Mezzanine Partners II, Inc.
19 The transfer was made for the benefit of Blue Wolf Capital Partners, BW Piezo, and CTG
20 Advanced Materials to resolve their liabilities and obligations pursuant to a loan agreement. In
21 addition, the transfer was made for the benefit of Gladstone Investment Corporation and the
22 Mezzanine Lenders because they owned equity in BW Piezo and CTG Advanced Materials. CTG
23 made this transfer to terminate its loan agreement and allow the liquidation of CTG Advanced
24 Materials's assets to be siphoned to Blue Wolf Capital Advisors through BW Piezo and away
25 from CTG's creditors.
26
27
28

1 69. In March 2016, CTG transferred \$1,515,005.70 to CTG Advanced Materials. The
2 transfer was made for the benefit of Blue Wolf Capital Partners, BW Piezo, Gladstone Investment
3 Corporation, Pengdi Han, DHAN, LLC, and the Mezzanine Lenders because they owned equity
4 in CTG Advanced Materials. In addition, the transfer was made for the benefit of CTS
5 Corporation.

6 70. In March 2016, CTG transferred \$26,000.00 to DHAN, LLC. The transfer was
7 made to DHAN, LLC's bank account; however, upon information and belief, Pengdi Han
8 controls that bank account. Alternatively, the transfer was made for the benefit of Pengdi Han,
9 as he is the principal of DHAN, LLC.

10 71. In March 2016, CTG transferred \$16,612,424.11 to Blue Wolf Capital Fund. The
11 transfer was made for the benefit of BW Piezo. The transfer was also made for the benefit of
12 Blue Wolf Capital Partners, Gladstone Investment Corporation, Pengdi Han, DHAN, LLC, and
13 the Mezzanine Lenders because they owned equity in BW Piezo. CTG made this transfer to
14 siphon the proceeds of the CTG Advanced Materials sale to Blue Wolf Capital Advisors through
15 BW Piezo and away from CTG's creditors.

16 72. In March 2016, CTG transferred \$1,052,250 to PNC Bank, N.A. PNC Bank, N.A.
17 was the escrow agent working with BW Piezo and CTS Corporation. The transfer was made for
18 the benefit of BW Piezo. The transfer was also made for the benefit of Blue Wolf Capital
19 Partners, Gladstone Investment Corporation, Pengdi Han, DHAN, LLC, and the Mezzanine
20 Lenders because they owned equity in BW Piezo.

21 73. Additionally, and in the alternative, CTG, through its alter ego BW Piezo, made
22 the following transfers with CTG's property:
23
24
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1 74. In March 2016, CTG transferred \$2,303,366.24 to DHAN, LLC. The transfer was
2 made to DHAN, LLC's bank account; however, upon information and belief, Pengdi Han
3 controls that bank account. Alternatively, the transfer was made for the benefit of Pengdi Han,
4 as the principal of DHAN, LLC.

5 75. In March 2016, CTG transferred \$633,872 to Blue Wolf Capital Partners, LLC.

6 76. In March 2016, CTG transferred \$752,245.09 to Gladstone Investment
7 Corporation.
8

9 77. In March 2016, CTG transferred \$1,340.39 to Avante Mezzanine Partners II, Inc.
10 The transfer was also made for the benefit of Blue Wolf Capital Partners, BW Piezo, and CTG
11 Advanced Materials to resolve their liabilities and obligations pursuant to an investment
12 agreement. In addition, the transfer was made for the benefit of Gladstone Investment
13 Corporation and the Mezzanine Lenders because they owned equity in BW Piezo and CTG
14 Advanced Materials. CTG made this transfer to terminate its loan agreement and allow the
15 liquidation of CTG Advanced Materials's assets to be siphoned to Blue Wolf Capital Advisors
16 through BW Piezo and away from CTG's creditors.
17

18 78. In March 2016, CTG transferred \$199,861.70 to Fidus Investment Corporation and
19 Fidus Mezzanine Capital II, L.P. The transfer was made to Fidus Investment Corporation's bank
20 account; however, a "For Further Credit" designation was included to route the transfer to Fidus
21 Mezzanine Capital II, L.P. The transfer was also made for the benefit of Blue Wolf Capital
22 Partners, BW Piezo, and CTG Advanced Materials to resolve their liabilities and obligations
23 pursuant to an investment agreement. In addition, the transfer was made for the benefit of
24 Gladstone Investment Corporation and the Mezzanine Lenders because they owned equity in BW
25 Piezo and CTG Advanced Materials. CTG made this transfer to terminate its investment
26
27
28

1 agreement and allow the liquidation of CTG Advanced Materials's assets to be siphoned to Blue
2 Wolf Capital Advisors through BW Piezo and away from CTG's creditors.

3 79. In March 2016, CTG transferred \$199,861.70 to Avante Mezzanine Partners SBIC,
4 L.P. The transfer was made for the benefit of Blue Wolf Capital Partners, BW Piezo, and CTG
5 Advanced Materials to resolve their liabilities and obligations pursuant to a loan agreement. In
6 addition, the transfer was made for the benefit of Gladstone Investment Corporation and the
7 Mezzanine Lenders because they owned equity in BW Piezo and CTG Advanced Materials. CTG
8 made this transfer to terminate its investment agreement and allow the liquidation of CTG
9 Advanced Materials's assets to be siphoned to Blue Wolf Capital Advisors through BW Piezo
10 and away from CTG's creditors.
11

12 80. Blue Wolf Capital Partners, through its shell companies, and its principals,
13 including Blumenthal, Miller, and Narulla, nevertheless transferred the above-listed property to
14 insiders of CTG.
15

16 81. Through CTG's alter egos BW Piezo and CTG Advanced Materials, Blue Wolf
17 Capital Partners maintained control of a significant amount of the proceeds from the sale of
18 CTG's property.

19 82. Details of the transfer of CTG's property were not fully disclosed and remained
20 concealed. In fact, under Blue Wolf Capital Partners' control and Charles Miller acting as CTG's
21 manager, CTG continued to list CTG Advanced Materials as an entity that CTG owned or
22 controlled:
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Part 13: Details About the Debtor's Business or Connections to Any Business

25. Other businesses in which the debtor has or has had an interest

List any business for which the debtor was an owner, partner, member, or otherwise a person in control within 6 years before filing this case. Include this information even if already listed in the Schedules.

☐ None

Business name address

Describe the nature of the business

Employer Identification number

Do not include Social Security number or ITIN.

Dates business existed

25.1. CTG Advanced Materials
479 Quadrangle Drive
Bolingbrook, IL 60440

Ceramics production

EIN: 46-3678014

From-To 10/11/2013 to 3/11/2016

Submission of Statement of Financial Affairs, *In re Channel Technologies Group, LLC*, 9:16-BK-11912-PC, ECF No. 114 (Bankr. N.D. Cal., Nov. 16, 2016). Moreover, Blue Wolf Capital Partners, through its shell companies, principals, and BW Piezo, made, and forced CTG, to represent to the public, CTG's creditors, and to the federal government that CTG owned CTG Advanced Materials.

83. The transfer of the sales proceeds amounted to substantially all CTG's remaining assets. This is a result of Blue Wolf Capital Partners, through its shell companies, including BW Piezo, forcing CTG to guaranty loans, make payments on loans, and pay liabilities and debts for BW Piezo and CTG Advanced Materials.

84. CTG did not receive any reasonably equivalent value for the above-listed transfers.

85. Blue Wolf Capital Partners, through its shell companies and BW Piezo, and thus ultimately through CTG, made the transfers and incurred the obligations specified above with the actual intent to hinder, delay, and defraud CTG's creditors. Blue Wolf Capital Partners transferred the sale proceeds, Blue Wolf Capital Partners protected the proceeds from the sale from becoming part of the bankruptcy estate. By causing such transfers to be made, the Blue Wolf Entities hoped to distribute to themselves or for their benefit all of the proceeds from the sale of CTG Advanced Materials.

86. At the time the transfers and obligations incurred were made, or entered into, Blue

1 Wolf Capital Partners understood that causing those transfers and incurring those obligations
2 would inevitably harm CTG's creditors. Blue Wolf Capital Partners knew CTG would be left
3 insolvent and the transfers would reduce the amount of funds available to repay creditors. Blue
4 Wolf Capital Partners, through its domination and control of CTG, knew the true financial straits
5 CTG was in (*see, e.g.* ¶¶ 44–45; Exs. 10–15). Despite this indisputable knowledge, Blue Wolf
6 Capital Partners, by and through its principals, including Blumenthal, Miller, Narulla, and
7 Ranson, as well as BW Piezo, directed CTG to make these transfers for their own benefit and for
8 CTG Advanced Materials's benefit. By doing so, and with the full knowledge that CTG did not
9 have sufficient cash to cover all debts, Blue Wolf Capital Advisors forced CTG to intentionally
10 short-change other creditors, including the unsecured creditors identified in **Schedule A**. This
11 pattern and practice of denuding CTG of funds to pay themselves and the identified transferees
12 lead directly and proximately to the CTG bankruptcy.

14 87. Blue Wolf Capital Partners, through its shell companies, its principals, and BW
15 Piezo, controlled and dominated CTG. Blue Wolf Capital Partners controlled the transfer of
16 funds, the ability for CTG to incur obligations, and the ability to direct those purchasing CTG's
17 assets to transfer the proceeds from their sale.

19 88. Plaintiff may avoid each of the transfers and obligations under 11 U.S.C. §§
20 548(a)(1)(A) and 550.

B. Avoidance of Constructive Fraudulent Transfers Under 11 U.S.C. § 548(a)(1)(B)

(Defendants Blue Wolf Capital Partners, Blue Wolf Capital Fund, Blue Wolf Capital Advisors, and BW Piezo)

(Avoidance of Transfers to Defendants Gladstone Investment Corporation, the Mezzanine Lenders, Pengdi Han, DHAN, LLC, CTS Corporation, CTG Advanced Materials, LLC)

89. The foregoing and following paragraphs are hereby incorporated by reference as if fully set forth herein

90. The proceeds from the sale of CTG Advanced Materials belonged to CTG. Blue Wolf Capital Partners, through its shell companies and BW Piezo, forced CTG to transfer the sale proceeds to Blue Wolf Capital Partners and its creditors. Upon information and belief, the following transfers with property of CTG:

91. In March 2016, CTG transferred \$7,264,770.39 to Fidus Investment Corporation and Fidus Mezzanine Capital II, L.P. The transfer was made to Fidus Investment Corporation's bank account; however, a "For Further Credit" designation was included to route the transfer to Fidus Mezzanine Capital II, L.P. The transfer was made for the benefit of Blue Wolf Capital Partners, BW Piezo, and CTG Advanced Materials to resolve their liabilities and obligations pursuant to a loan agreement. In addition, the transfer was made for the benefit of Gladstone Investment Corporation and the Mezzanine Lenders because they owned equity in BW Piezo and CTG Advanced Materials.

92. In March 2016, CTG transferred \$7,263,263.90 to Avante Mezzanine Partners SBIC, LP. The transfer was made for the benefit of Blue Wolf Capital Partners, BW Piezo, and CTG Advanced Materials to resolve their liabilities and obligations pursuant to a loan agreement. In addition, the transfer was made for the benefit of Gladstone Investment Corporation and the Mezzanine Lenders because they owned equity in BW Piezo and CTG Advanced Materials.

1 93. In March 2016, CTG transferred \$1,340.39 to Avante Mezzanine Partners II, Inc.
2 The transfer was made for the benefit of Blue Wolf Capital Partners, BW Piezo, and CTG
3 Advanced Materials to resolve their liabilities and obligations pursuant to a loan agreement. In
4 addition, the transfer was made for the benefit of Gladstone Investment Corporation and the
5 Mezzanine Lenders because they owned equity in BW Piezo and CTG Advanced Materials.

6 94. In March 2016, CTG transferred \$1,515,005.70 to CTG Advanced Materials. The
7 transfer was made for the benefit of Blue Wolf Capital Partners, BW Piezo, Gladstone Investment
8 Corporation, Pengdi Han, DHAN, LLC, and the Mezzanine Lenders because they owned equity
9 in CTG Advanced Materials. In addition, the transfer was made for the benefit of CTS
10 Corporation.

11 95. In March 2016, CTG transferred \$26,000.00 to DHAN, LLC. The transfer was
12 made to DHAN, LLC's bank account; however, upon information and belief, Pengdi Han
13 controls that bank account. Alternatively, the transfer was made for the benefit of Pengdi Han.

14 96. In March 2016, CTG transferred \$16,612,424.11 to Blue Wolf Capital Fund. The
15 transfer was made to Blue Wolf Capital Fund because BW Piezo does not have an independent
16 bank account. The transfer was made for the benefit of BW Piezo. The transfer was also made
17 for the benefit of Blue Wolf Capital Partners, Gladstone Investment Corporation, Pengdi Han,
18 DHAN, LLC, and the Mezzanine Lenders because they owned equity in BW Piezo.

19 97. In March 2016, CTG transferred \$1,052,250 to PNC Bank, N.A. PNC Bank, N.A.
20 was the escrow agent working with BW Piezo and CTS Corporation. The transfer was made for
21 the benefit of BW Piezo. The transfer was also made for the benefit of Blue Wolf Capital
22 Partners, Gladstone Investment Corporation, Pengdi Han, DHAN, LLC, and the Mezzanine
23 Lenders because they owned equity in BW Piezo.

1 98. Additionally, and in the alternative, CTG, through its alter ego BW Piezo, made
2 the following transfers with CTG's property:

3 99. In March 2016, CTG transferred \$2,303,366.24 to DHAN, LLC. The transfer was
4 made to DHAN, LLC's bank account; however, upon information and belief, Pengdi Han
5 controls that bank account. Alternatively, the transfer was made for the benefit of Pengdi Han.

6 100. In March 2016, CTG transferred \$633,872 to Blue Wolf Capital Partners, LLC.

7 101. In March 2016, CTG transferred \$752,245.09 to Gladstone Investment
8 Corporation.
9

10 102. In March 2016, CTG transferred \$1,340.39 to Avante Mezzanine Partners II, Inc.
11 The transfer was also made for the benefit of Blue Wolf Capital Partners, BW Piezo, and CTG
12 Advanced Materials to resolve their liabilities and obligations pursuant to an investment
13 agreement. In addition, the transfer was made for the benefit of Gladstone Investment
14 Corporation and the Mezzanine Lenders because they owned equity in BW Piezo and CTG
15 Advanced Materials.
16

17 103. In March 2016, CTG transferred \$199,861.70 to Fidus Investment Corporation and
18 Fidus Mezzanine Capital II, L.P. The transfer was made to Fidus Investment Corporation's bank
19 account; however, a "For Further Credit" designation was included to route the transfer to Fidus
20 Mezzanine Capital II, L.P. The transfer was also made for the benefit of Blue Wolf Capital
21 Partners, BW Piezo, and CTG Advanced Materials to resolve their liabilities and obligations
22 pursuant to an investment agreement. In addition, the transfer was made for the benefit of
23 Gladstone Investment Corporation and the Mezzanine Lenders because they owned equity in BW
24 Piezo and CTG Advanced Materials.
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1 104. In March 2016, CTG transferred \$199,861.70 to Avante Mezzanine Partners SBIC,
2 L.P. The transfer was made for the benefit of Blue Wolf Capital Partners, BW Piezo, and CTG
3 Advanced Materials to resolve their liabilities and obligations pursuant to a loan agreement. In
4 addition, the transfer was made for the benefit of Gladstone Investment Corporation and the
5 Mezzanine Lenders because they owned equity in BW Piezo and CTG Advanced Materials.

6 105. CTG did not receive reasonably equivalent value in exchange for the property
7 transferred.
8

9 106. Because of the transfers and obligations, CTG became insolvent and
10 undercapitalized. CTG was unable to pay its debts to its creditors and ultimately had to file for
11 bankruptcy.

12 107. Additionally, and in the alternative, Blue Wolf Capital Partners intended and knew
13 that the obligations CTG incurred were beyond its ability to pay as the debts matured. *See, e.g.*
14 ¶¶ 44–45; Exs. 10–15.

15 108. Blue Wolf Capital Partners, through its shell companies, its principals, and BW
16 Piezo, controlled and dominated CTG. Blue Wolf Capital Partners controlled the transfer of
17 funds, the ability for CTG to incur obligations, and the ability to direct those purchasing CTG's
18 assets to transfer the proceeds from their sale.
19

20 109. The Liquidating Trustee has standing to assert this claim because the creditors
21 listed on **Schedule A** have allowable unsecured claims, pursuant to 11 U.S.C. § 544(b)(1), under
22 California and federal law against CTG.
23

24 110. Plaintiff may avoid each of the transfers and obligations under 11 U.S.C. §
25 548(a)(1)(B).
26
27
28

C. Violation of California Uniform Fraudulent Transfer Act (Actual Fraud)

(Defendants Blue Wolf Capital Partners, Blue Wolf Capital Fund, Blue Wolf Capital Advisors, and BW Piezo)

(Avoidance of Transfers to Defendants Gladstone Investment Corporation, the Mezzanine Lenders, Pengdi Han, DHAN, LLC, CTS Corporation, CTG Advanced Materials, LLC)

111. The foregoing and following paragraphs are hereby incorporated by reference as if fully set forth herein.

112. The proceeds from the sale of CTG Advanced Materials belonged to CTG. Blue Wolf Capital Partners, through its shell companies and BW Piezo, forced CTG to transfer the sale proceeds to Blue Wolf Capital Partners and its creditors. The following transfers with property of CTG:

113. In March 2016, CTG transferred \$7,264,770.39 to Fidus Investment Corporation and Fidus Mezzanine Capital II, L.P. The transfer was made to Fidus Investment Corporation's bank account; however, a "For Further Credit" designation was included to route the transfer to Fidus Mezzanine Capital II, L.P. The transfer was made for the benefit of Blue Wolf Capital Partners, BW Piezo, and CTG Advanced Materials to resolve their liabilities and obligations pursuant to a loan agreement. In addition, the transfer was made for the benefit of Gladstone Investment Corporation and the Mezzanine Lenders because they owned equity in BW Piezo and CTG Advanced Materials. CTG made this transfer to terminate its loan agreement and allow the liquidation of CTG Advanced Materials's assets to be siphoned to Blue Wolf Capital Advisors through BW Piezo and away from CTG's creditors.

114. Plaintiff's research and receipt of public records do not reflect any perfected lien by the Mezzanine Lenders on CTG's assets. Therefore, at best, they would be another unsecured creditor of CTG and should have shared loan repayments with the other unsecured creditors.

1 115. In March 2016, CTG transferred \$7,263,263.90 to Avante Mezzanine Partners
2 SBIC, LP. The transfer was made for the benefit of Blue Wolf Capital Partners, BW Piezo, and
3 CTG Advanced Materials to resolve their liabilities and obligations pursuant to a loan agreement.
4 In addition, the transfer was made for the benefit of Gladstone Investment Corporation and the
5 Mezzanine Lenders because they owned equity in BW Piezo and CTG Advanced Materials. CTG
6 made this transfer to terminate its loan agreement and allow the liquidation of CTG Advanced
7 Materials's assets to be siphoned to Blue Wolf Capital Advisors through BW Piezo and away
8 from CTG's creditors.
9

10 116. In March 2016, CTG transferred \$1,340.39 to Avante Mezzanine Partners II, Inc.
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12 Advanced Materials to resolve their liabilities and obligations pursuant to a loan agreement. In
13 addition, the transfer was made for the benefit of Gladstone Investment Corporation and the
14 Mezzanine Lenders because they owned equity in BW Piezo and CTG Advanced Materials. CTG
15 made this transfer to terminate its loan agreement and allow the liquidation of CTG Advanced
16 Materials's assets to be siphoned to Blue Wolf Capital Advisors through BW Piezo and away
17 from CTG's creditors.
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21 Corporation, Pengdi Han, DHAN, LLC, and the Mezzanine Lenders because they owned equity
22 in CTG Advanced Materials. In addition, the transfer was made for the benefit of CTS
23 Corporation.
24

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26 made to DHAN, LLC's bank account; however, upon information and belief, Pengdi Han
27
28

1 controls that bank account. Alternatively, the transfer was made for the benefit of Pengdi Han,
2 as he is the principal of DHAN, LLC.

3 119. In March 2016, CTG transferred \$16,612,424.11 to Blue Wolf Capital Fund. The
4 transfer was made for the benefit of BW Piezo. The transfer was also made for the benefit of
5 Blue Wolf Capital Partners, Gladstone Investment Corporation, Pengdi Han, DHAN, LLC, and
6 the Mezzanine Lenders because they owned equity in BW Piezo. CTG made this transfer to
7 siphon the proceeds of the CTG Advanced Materials sale to Blue Wolf Capital Advisors through
8 BW Piezo and away from CTG's creditors.
9

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12 the benefit of BW Piezo. The transfer was also made for the benefit of Blue Wolf Capital
13 Partners, Gladstone Investment Corporation, Pengdi Han, DHAN, LLC, and the Mezzanine
14 Lenders because they owned equity in BW Piezo.
15

16 121. Additionally, and in the alternative, CTG, through its alter ego BW Piezo, made
17 the following transfers with CTG's property:

18 122. In March 2016, CTG transferred \$2,303,366.24 to DHAN, LLC. The transfer was
19 made to DHAN, LLC's bank account; however, upon information and belief, Pengdi Han
20 controls that bank account. Alternatively, the transfer was made for the benefit of Pengdi Han,
21 as the principal of DHAN, LLC.
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26
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2 The transfer was also made for the benefit of Blue Wolf Capital Partners, BW Piezo, and CTG
3 Advanced Materials to resolve their liabilities and obligations pursuant to an investment
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5 Corporation and the Mezzanine Lenders because they owned equity in BW Piezo and CTG
6 Advanced Materials. CTG made this transfer to terminate its loan agreement and allow the
7 liquidation of CTG Advanced Materials's assets to be siphoned to Blue Wolf Capital Advisors
8 through BW Piezo and away from CTG's creditors.
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16 Gladstone Investment Corporation and the Mezzanine Lenders because they owned equity in BW
17 Piezo and CTG Advanced Materials. CTG made this transfer to terminate its investment
18 agreement and allow the liquidation of CTG Advanced Materials's assets to be siphoned to Blue
19 Wolf Capital Advisors through BW Piezo and away from CTG's creditors.
20

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22 L.P. The transfer was made for the benefit of Blue Wolf Capital Partners, BW Piezo, and CTG
23 Advanced Materials to resolve their liabilities and obligations pursuant to a loan agreement. In
24 addition, the transfer was made for the benefit of Gladstone Investment Corporation and the
25 Mezzanine Lenders because they owned equity in BW Piezo and CTG Advanced Materials. CTG
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made this transfer to terminate its investment agreement and allow the liquidation of CTG Advanced Materials's assets to be siphoned to Blue Wolf Capital Advisors through BW Piezo and away from CTG's creditors.

128. Blue Wolf Capital Partners, through its shell companies, and its principals, including Blumenthal, Miller, and Narulla, nevertheless transferred the above-listed property to insiders of CTG.

129. Through CTG's alter egos BW Piezo and CTG Advanced Materials, Blue Wolf Capital Partners maintained control of a significant amount of the proceeds from the sale of CTG's property.

130. Details of the transfer of CTG's property were not fully disclosed and remained concealed. In fact, under Blue Wolf Capital Partners' control and Charles Miller acting as CTG's manager, CTG continued to list CTG Advanced Materials as an entity that CTG owned or controlled:

Part 13: Details About the Debtor's Business or Connections to Any Business

25. Other businesses in which the debtor has or has had an interest

List any business for which the debtor was an owner, partner, member, or otherwise a person in control within 6 years before filing this case. Include this information even if already listed in the Schedules.

☐ None

Business name address

Describe the nature of the business

Employer identification number

Do not include Social Security number or ITIN.

Dates business existed

25.1. CTG Advanced Materials
479 Quadrangle Drive
Bolingbrook, IL 60440

Ceramics production

EIN: 46-3678014

From-To 10/11/2013 to 3/11/2016

Submission of Statement of Financial Affairs, *In re Channel Technologies Group, LLC*, 9:16-BK-11912-PC, ECF No. 114 (Bankr. N.D. Cal., Nov. 16, 2016). Moreover, Blue Wolf Capital Partners, through its shell companies, principals, and BW Piezo, made, and forced CTG, to represent to the public, CTG's creditors, and to the federal government that CTG owned CTG Advanced Materials.

1 131. The transfer of the sales proceeds amounted to substantially all CTG's remaining
2 assets. This is a result of Blue Wolf Capital Partners, through its shell companies, including BW
3 Piezo, forcing CTG to guaranty loans, make payments on loans, and pay liabilities and debts for
4 BW Piezo and CTG Advanced Materials.

5 132. CTG did not receive any reasonably equivalent value for the above-listed transfers.

6 133. Blue Wolf Capital Partners, through its shell companies and BW Piezo, and thus
7 ultimately through CTG, made the transfers and incurred the obligations specified above with the
8 actual intent to hinder, delay, and defraud CTG's creditors. Blue Wolf Capital Partners
9 transferred the sale proceeds, Blue Wolf Capital Partners protected the proceeds from the sale
10 from becoming part of the bankruptcy estate. By causing such transfers to be made, the Blue
11 Wolf Entities hoped to distribute to themselves or for their benefit all of the proceeds from the
12 sale of CTG Advanced Materials.
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14 134. At the time the transfers and obligations incurred were made, or entered into, Blue
15 Wolf Capital Partners understood that causing those transfers and incurring those obligations
16 would inevitably harm CTG's creditors. Blue Wolf Capital Partners knew CTG would be left
17 insolvent and the transfers would reduce the amount of funds available to repay creditors. Blue
18 Wolf Capital Partners, through its domination and control of CTG, knew the true financial straits
19 CTG was in (*see, e.g.* ¶¶ 44–45; Exs. 10–15). Despite this indisputable knowledge, Blue Wolf
20 Capital Partners, by and through its principals, including Blumenthal, Miller, Narulla, and
21 Ranson, as well as BW Piezo, directed CTG to make these transfers for their own benefit and for
22 CTG Advanced Materials's benefit. By doing so, and with the full knowledge that CTG did not
23 have sufficient cash to cover all debts, Blue Wolf Capital Advisors forced CTG to intentionally
24 short-change other creditors, including the unsecured creditors identified in **Schedule A**. This
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1 pattern and practice of denuding CTG of funds to pay themselves and the identified transferees
2 lead directly and proximately to the CTG bankruptcy.

3 135. Blue Wolf Capital Partners, through its shell companies, its principals, and BW
4 Piezo, controlled and dominated CTG. Blue Wolf Capital Partners controlled the transfer of
5 funds, the ability for CTG to incur obligations, and the ability to direct those purchasing CTG's
6 assets to transfer the proceeds from their sale.

7 **D. Violation of California Uniform Fraudulent Transfer Act (Constructive Fraud)**

8 *(Defendants Blue Wolf Capital Partners, Blue Wolf Capital Fund, Blue Wolf Capital Advisors,*
9 *and BW Piezo)*

10 *(Avoidance of Transfers to Defendants Gladstone Investment Corporation, the Mezzanine*
11 *Lenders, Pengdi Han, DHAN, LLC, CTS Corporation, CTG Advanced Materials, LLC)*

12 136. The foregoing and following paragraphs are hereby incorporated by reference as if
13 fully set forth herein

14 137. The proceeds from the sale of CTG Advanced Materials belonged to CTG. Blue
15 Wolf Capital Partners, through its shell companies and BW Piezo, forced CTG to transfer the
16 sale proceeds to Blue Wolf Capital Partners and its creditors. Upon information and belief, the
17 following transfers with property of CTG:

18 138. In March 2016, CTG transferred \$7,264,770.39 to Fidus Investment Corporation
19 and Fidus Mezzanine Capital II, L.P. The transfer was made to Fidus Investment Corporation's
20 bank account; however, a "For Further Credit" designation was included to route the transfer to
21 Fidus Mezzanine Capital II, L.P. The transfer was made for the benefit of Blue Wolf Capital
22 Partners, BW Piezo, and CTG Advanced Materials to resolve their liabilities and obligations
23 pursuant to a loan agreement. In addition, the transfer was made for the benefit of Gladstone
24 Investment Corporation and the Mezzanine Lenders because they owned equity in BW Piezo and
25 CTG Advanced Materials.
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1 139. In March 2016, CTG transferred \$7,263,263.90 to Avante Mezzanine Partners
2 SBIC, LP. The transfer was made for the benefit of Blue Wolf Capital Partners, BW Piezo, and
3 CTG Advanced Materials to resolve their liabilities and obligations pursuant to a loan agreement.
4 In addition, the transfer was made for the benefit of Gladstone Investment Corporation and the
5 Mezzanine Lenders because they owned equity in BW Piezo and CTG Advanced Materials.

6 140. In March 2016, CTG transferred \$1,340.39 to Avante Mezzanine Partners II, Inc.
7 The transfer was made for the benefit of Blue Wolf Capital Partners, BW Piezo, and CTG
8 Advanced Materials to resolve their liabilities and obligations pursuant to a loan agreement. In
9 addition, the transfer was made for the benefit of Gladstone Investment Corporation and the
10 Mezzanine Lenders because they owned equity in BW Piezo and CTG Advanced Materials.

11 141. In March 2016, CTG transferred \$1,515,005.70 to CTG Advanced Materials. The
12 transfer was made for the benefit of Blue Wolf Capital Partners, BW Piezo, Gladstone Investment
13 Corporation, Pengdi Han, DHAN, LLC, and the Mezzanine Lenders because they owned equity
14 in CTG Advanced Materials. In addition, the transfer was made for the benefit of CTS
15 Corporation.
16

17 142. In March 2016, CTG transferred \$26,000.00 to DHAN, LLC. The transfer was
18 made to DHAN, LLC's bank account; however, upon information and belief, Pengdi Han
19 controls that bank account. Alternatively, the transfer was made for the benefit of Pengdi Han.
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21 143. In March 2016, CTG transferred \$16,612,424.11 to Blue Wolf Capital Fund. The
22 transfer was made to Blue Wolf Capital Fund because BW Piezo does not have an independent
23 bank account. The transfer was made for the benefit of BW Piezo. The transfer was also made
24 for the benefit of Blue Wolf Capital Partners, Gladstone Investment Corporation, Pengdi Han,
25 DHAN, LLC, and the Mezzanine Lenders because they owned equity in BW Piezo.
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1 144. In March 2016, CTG transferred \$1,052,250 to PNC Bank, N.A. PNC Bank, N.A.
2 was the escrow agent working with BW Piezo and CTS Corporation. The transfer was made for
3 the benefit of BW Piezo. The transfer was also made for the benefit of Blue Wolf Capital
4 Partners, Gladstone Investment Corporation, Pengdi Han, DHAN, LLC, and the Mezzanine
5 Lenders because they owned equity in BW Piezo.

6 145. Additionally, and in the alternative, CTG, through its alter ego BW Piezo, made
7 the following transfers with CTG's property:
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9 146. In March 2016, CTG transferred \$2,303,366.24 to DHAN, LLC. The transfer was
10 made to DHAN, LLC's bank account; however, upon information and belief, Pengdi Han
11 controls that bank account. Alternatively, the transfer was made for the benefit of Pengdi Han.

12 147. In March 2016, CTG transferred \$633,872 to Blue Wolf Capital Partners, LLC.

13 148. In March 2016, CTG transferred \$752,245.09 to Gladstone Investment
14 Corporation.
15

16 149. In March 2016, CTG transferred \$1,340.39 to Avante Mezzanine Partners II, Inc.
17 The transfer was also made for the benefit of Blue Wolf Capital Partners, BW Piezo, and CTG
18 Advanced Materials to resolve their liabilities and obligations pursuant to an investment
19 agreement. In addition, the transfer was made for the benefit of Gladstone Investment
20 Corporation and the Mezzanine Lenders because they owned equity in BW Piezo and CTG
21 Advanced Materials.

22 150. In March 2016, CTG transferred \$199,861.70 to Fidus Investment Corporation and
23 Fidus Mezzanine Capital II, L.P. The transfer was made to Fidus Investment Corporation's bank
24 account; however, a "For Further Credit" designation was included to route the transfer to Fidus
25 Mezzanine Capital II, L.P. The transfer was also made for the benefit of Blue Wolf Capital
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Partners, BW Piezo, and CTG Advanced Materials to resolve their liabilities and obligations pursuant to an investment agreement. In addition, the transfer was made for the benefit of Gladstone Investment Corporation and the Mezzanine Lenders because they owned equity in BW Piezo and CTG Advanced Materials.

151. In March 2016, CTG transferred \$199,861.70 to Avante Mezzanine Partners SBIC, L.P. The transfer was made for the benefit of Blue Wolf Capital Partners, BW Piezo, and CTG Advanced Materials to resolve their liabilities and obligations pursuant to a loan agreement. In addition, the transfer was made for the benefit of Gladstone Investment Corporation and the Mezzanine Lenders because they owned equity in BW Piezo and CTG Advanced Materials.

152. CTG did not receive reasonably equivalent value in exchange for the property transferred.

153. Because of the transfers and obligations, CTG became insolvent and undercapitalized. CTG was unable to pay its debts to its creditors and ultimately had to file for bankruptcy.

154. Additionally, and in the alternative, Blue Wolf Capital Partners intended and knew that the obligations CTG incurred were beyond its ability to pay as the debts matured. *See, e.g.* ¶¶ 44–45; Exs. 10–15.

155. Blue Wolf Capital Partners, through its shell companies, its principals, and BW Piezo, controlled and dominated CTG. Blue Wolf Capital Partners controlled the transfer of funds, the ability for CTG to incur obligations, and the ability to direct those purchasing CTG's assets to transfer the proceeds from their sale.

156. The Liquidating Trustee has standing to assert this claim because the creditors listed on **Schedule A** have allowable unsecured claims, pursuant to 11 U.S.C. § 544(b)(1), under

1 California and federal law against CTG.

2 **E. Avoidance of Actual Fraudulent Transfers Under 11 U.S.C. §§ 548(a)(1)(A) and**
3 **550(a)**

4 157. Alternatively, in the event an alter ego determination is not made, CTG pleads the
5 following cause of action.

6 158. The foregoing and following paragraphs are hereby incorporated by reference as if
7 fully set forth herein.

8 159. Blue Wolf Capital Partners, acting through its shell companies, and its principals,
9 including Adam Blumenthal, Charles P. Miller, and Haranjeet Narulla, controlled and dominated
10 CTG. CTG's board of directors and management team were controlled by Blue Wolf Capital
11 Partners and carried out its will. Blue Wolf Capital Partners controlled the transfer of funds, and
12 the ability for CTG to incur obligations.
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14 160. Blue Wolf Capital Partners, acting through its principals, shell companies, and BW
15 Piezo, forced CTG to assume loans, make loan payments, and pay for BW Piezo and CTG
16 Advanced Materials's debts and liabilities. Blue Wolf Capital Partners, through its domination
17 and control of CTG, knew the true financial straits CTG was in (*see, e.g.* ¶¶ 44–45; Exs. 10–15).
18 Despite this indisputable knowledge, Blue Wolf Capital Partners, by and through its principals,
19 including Blumenthal, Miller, Narulla, and Ranson, as well as BW Piezo, directed CTG to make
20 these transfers for their own benefit and for CTG Advanced Materials's benefit. By doing so,
21 and with the full knowledge that CTG did not have sufficient cash to cover all debts, Blue Wolf
22 Capital Advisors forced CTG to intentionally short-change other creditors, including the
23 unsecured creditors identified in **Schedule A**. This pattern and practice of denuding CTG of
24 funds to pay themselves and the identified transferees lead directly and proximately to the CTG
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1 bankruptcy. Upon information and belief, Blue Wolf Capital Partners forced CTG to make the
2 following transfers with property of CTG:

3 161. **Grant Thornton, LLP**—CTG transferred \$1,054,753.85 to Grant Thornton, LLP
4 from January 2013 to March 2017. The transfers were made to pay for accounting and financial
5 services rendered to BW Piezo and CTG Advanced Materials, and CTG did not receive
6 reasonably equivalent value for making these transfers. Blue Wolf Capital Partners forced CTG
7 to pay these expenses to maximize CTG Advanced Materials's assets and value, and thus BW
8 Piezo's assets, upon the sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that
9 paying these expenses would deprive CTG of assets available to CTG's creditors for satisfying
10 their debts when Blue Wolf Capital Partners forced CTG into bankruptcy. The transfers are
11 itemized in the attached **Schedule B**.
12

13 162. **Holland & Knight**—CTG transferred \$789,579.14 to Holland & Knight from
14 December 2012 to September 2016. The transfers were made to pay for legal services rendered
15 to BW Piezo and CTG Advanced Materials, and CTG did not receive reasonably equivalent value
16 for making these transfers. Blue Wolf Capital Partners forced CTG to pay these expenses to
17 maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the
18 sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that paying these expenses
19 would deprive CTG of assets available to CTG's creditors for satisfying their debts when Blue
20 Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the attached
21 **Schedule B**.
22

23 163. **Fidus Investment Corporation and Fidus Mezzanine Capital II, L.P.**—CTG
24 transferred \$1,959,987.31 to Fidus Investment Corporation and Fidus Mezzanine Capital II, L.P.
25 from December 2013 to December 2015. The transfers were loan payments pursuant to the Loan
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1 and Investment Agreement entered into by BW Piezo, CTG Advanced Materials, CTG, and
2 Electro Optical Industries for the purchase of HC Materials. If BW Piezo and CTG Advanced
3 Materials are not CTG's alter egos, then CTG received no reasonably equivalent value for making
4 these transfers. Blue Wolf Capital Partners forced CTG to make these transfers to maximize
5 CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the sale of CTG
6 Advanced Materials. Blue Wolf Capital Partners knew that making these transfers would deprive
7 CTG of assets available to CTG's creditors for satisfying their debts when Blue Wolf Capital
8 Partners forced CTG into bankruptcy. The transfers are itemized in the attached **Schedule B**.

10 164. **Avante Mezzanine Partners SBIC, LP and Avante Mezzanine Partners II,**
11 **Inc.**—CTG transferred \$1,957,300.44 to Avante Mezzanine Partners SBIC, LP and Avante
12 Mezzanine Partners II, Inc. from December 2013 to February 2016. The transfers were loan
13 payments pursuant to the Loan and Investment Agreement entered into by BW Piezo, CTG
14 Advanced Materials, CTG, and Electro Optical Industries for the purchase of HC Materials. If
15 BW Piezo and CTG Advanced Materials are not CTG's alter egos, then CTG received no
16 reasonably equivalent value for making these transfers. Blue Wolf Capital Partners forced CTG
17 to make these transfers to maximize CTG Advanced Materials's assets and value, and thus BW
18 Piezo's assets, upon the sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that
19 making these transfers would deprive CTG of assets available to CTG's creditors for satisfying
20 their debts when Blue Wolf Capital Partners forced CTG into bankruptcy. The transfers are
21 itemized in the attached **Schedule B**.

24 165. **CIT Bank, N.A. (successor in interest of OneWest Bank, N.A.)**—CTG
25 transferred \$ 33,248,711.36 to CIT Bank, N.A. from May 2013 to April 2016. The transfers were
26 loan payments pursuant to a loan agreement entered into by BW Piezo, CTG Advanced Materials,
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1 CTG, and Electro Optical Industries for the purchase of HC Materials. If BW Piezo and CTG
2 Advanced Materials are not CTG's alter egos, then CTG received no reasonably equivalent value
3 for making these transfers. Blue Wolf Capital Partners forced CTG to make these transfers to
4 maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the
5 sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that making these transfers
6 would deprive CTG of assets available to CTG's creditors for satisfying their debts when Blue
7 Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the attached
8 **Schedule B.**
9

10 166. **Gladstone Investment Corporation**—CTG transferred \$7,576,027.49 to
11 Gladstone Investment Corporation from February 2012 to June 2016. The transfers were
12 distributions made to BW Piezo's and the Blue Wolf Fund's equity owners, and CTG received
13 no reasonably equivalent value for making these transfers. Blue Wolf Capital Partners forced
14 CTG to make these transfers to maximize CTG Advanced Materials's assets and value, and thus
15 BW Piezo's assets, upon the sale of CTG Advanced Materials. Blue Wolf Capital Partners knew
16 that making these transfers would deprive CTG of assets available to CTG's creditors for
17 satisfying their debts when Blue Wolf Capital Partners forced CTG into bankruptcy. The
18 transfers are itemized in the attached **Schedule B.**
19

20 167. **Raymond James**—CTG transferred \$50,000 to Raymond James on December 11,
21 2015. The transfer was made to pay for financial services rendered to BW Piezo and CTG
22 Advanced Materials, and CTG did not receive reasonably equivalent value for making these
23 transfers. Blue Wolf Capital Partners forced CTG to pay these expenses to maximize CTG
24 Advanced Materials's assets and value, and thus BW Piezo's assets, upon the sale of CTG
25 Advanced Materials. Blue Wolf Capital Partners knew that paying these expenses would deprive
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1 CTG of assets available to CTG's creditors for satisfying their debts when Blue Wolf Capital
2 Partners forced CTG into bankruptcy.

3 168. **Blue Wolf Capital Partners**—CTG transferred \$1,984,330.21 to Blue Wolf
4 Capital Partners from January 2013 to May 2016. The transfers were distributions made to BW
5 Piezo's and the Blue Wolf Fund's equity owners, and CTG received no reasonably equivalent
6 value for making these transfers. Blue Wolf Capital Partners forced CTG to make these transfers
7 to maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the
8 sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that making these transfers
9 would deprive CTG of assets available to CTG's creditors for satisfying their debts when Blue
10 Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the attached
11 **Schedule B.**

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13 169. **Duff & Phelps**—CTG transferred \$36,995 to Duff & Phelps on April 3, 2015. The
14 transfer was made to pay for legal services rendered to BW Piezo and CTG Advanced Materials,
15 and CTG did not receive reasonably equivalent value for making these transfers. Blue Wolf
16 Capital Partners forced CTG to pay these expenses to maximize CTG Advanced Materials's
17 assets and value, and thus BW Piezo's assets, upon the sale of CTG Advanced Materials. Blue
18 Wolf Capital Partners knew that paying these expenses would deprive CTG of assets available
19 to CTG's creditors for satisfying their debts when Blue Wolf Capital Partners forced CTG into
20 bankruptcy.
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22 170. **McDermott Will & Emery, LLP**—CTG transferred \$165,365.86 to McDermott
23 Will & Emery, LLP from March 2015 to May 2016. The transfers were made to pay for legal
24 services rendered to CTG Advanced Materials, and CTG did not receive reasonably equivalent
25 value for making these transfers. Blue Wolf Capital Partners forced CTG to pay these expenses
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1 to maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the
2 sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that paying these expenses
3 would deprive CTG of assets available to CTG's creditors for satisfying their debts when Blue
4 Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the attached
5 **Schedule B.**

6 171. **Dorsey & Whitney, LLP**—CTG transferred \$49,022.75 to Dorsey & Whitney,
7 LLP from November 2014 to April 2015. The transfers were made to pay for legal services
8 rendered to BW Piezo and CTG Advanced Materials, and CTG did not receive reasonably
9 equivalent value for making these transfers. Blue Wolf Capital Partners forced CTG to pay these
10 expenses to maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets,
11 upon the sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that paying these
12 expenses would deprive CTG of assets available to CTG's creditors for satisfying their debts
13 when Blue Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the
14 attached **Schedule B.**

15 172. CTG transferred the above-listed property in order to benefit insiders of CTG,
16 including BW Piezo and entities owned by Blue Wolf Capital Partners.

17 173. Details of the transfer of CTG's property were not fully disclosed and remained
18 concealed. In fact, under Blue Wolf Capital Partners' control and Charles Miller acting as CTG's
19 manager, CTG continued to list CTG Advanced Materials as an entity that CTG owned or
20 controlled:
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Part 13: Details About the Debtor's Business or Connections to Any Business

25. Other businesses in which the debtor has or has had an interest

List any business for which the debtor was an owner, partner, member, or otherwise a person in control within 6 years before filing this case. Include this information even if already listed in the Schedules.

☐ None

Business name address

Describe the nature of the business

Employer Identification number

Do not include Social Security number or ITIN.

Dates business existed

25.1. CTG Advanced Materials
479 Quadrangle Drive
Bolingbrook, IL 60440

Ceramics production

EIN: 46-3678014

From-To 10/11/2013 to 3/11/2016

Submission of Statement of Financial Affairs, *In re Channel Technologies Group, LLC*, 9:16-BK-11912-PC, ECF No. 114 (Bankr. N.D. Cal., Nov. 16, 2016). Moreover, Blue Wolf Capital Partners, through its shell companies, principals, and BW Piezo, made, and forced CTG, to represent to the public, CTG's creditors, and to the federal government that CTG owned CTG Advanced Materials.

174. The transfers amounted to substantially all CTG's remaining assets. This is a result of Blue Wolf Capital Partners, through its shell companies, including BW Piezo, forcing CTG to guarantee loans, make payments on loans, and pay liabilities and debts for BW Piezo and CTG Advanced Materials.

175. CTG did not receive any reasonably equivalent value for the above-listed transfers.

176. At the time the transfers and obligations incurred were made, or entered into, Blue Wolf Capital Partners, acting through CTG, understood that causing those transfers and incurring those obligations would inevitably harm CTG's creditors. Blue Wolf Capital Partners knew CTG would be left insolvent and the transfers would reduce the amount of funds available to repay creditors. Blue Wolf Capital Partners, through its domination and control of CTG, knew the true financial straits CTG was in (*see, e.g.* ¶¶ 44–45; Exs. 10–15). Despite this indisputable knowledge, Blue Wolf Capital Partners, by and through its principals, including Blumenthal, Miller, Narulla, and Ranson, as well as BW Piezo, directed CTG to make these transfers for their

1 own benefit and for CTG Advanced Materials's benefit. By doing so, and with the full
2 knowledge that CTG did not have sufficient cash to cover all debts, Blue Wolf Capital Advisors
3 forced CTG to intentionally short-change other creditors, including the unsecured creditors
4 identified in **Schedule A**. This pattern and practice of denuding CTG of funds to pay themselves
5 and the identified transferees lead directly and proximately to the CTG bankruptcy.

6 177. Each transfer and obligation incurred was made, or entered into, in furtherance of
7 the scheme perpetrated by CTG's management and controlling shareholder. By causing such
8 transfers to be made, CTG's management and controlling shareholder hoped to enrich themselves
9 from the eventual sale or dissolution of CTG, CTG Advanced Materials, LLC, and Electro
10 Optical Industries.
11

12 178. At the time the transfers and obligations incurred were made, or entered into,
13 CTG's management and controlling shareholder understood that causing those transfers and
14 incurring those obligations would inevitably harm CTG's creditors. CTG's management and
15 controlling shareholder knew CTG would be left insolvent and the transfers would reduce the
16 amount of funds available to repay creditors. Blue Wolf Capital Partners, through its domination
17 and control of CTG, knew the true financial straits CTG was in (*see, e.g.* ¶¶ 44–45; Exs. 10–15).
18 Despite this indisputable knowledge, Blue Wolf Capital Partners, by and through its principals,
19 including Blumenthal, Miller, Narulla, and Ranson, as well as BW Piezo, directed CTG to make
20 these transfers for their own benefit and for CTG Advanced Materials's benefit. By doing so,
21 and with the full knowledge that CTG did not have sufficient cash to cover all debts, Blue Wolf
22 Capital Advisors forced CTG to intentionally short-change other creditors, including the
23 unsecured creditors identified in **Schedule A**. This pattern and practice of denuding CTG of
24 funds to pay themselves and the identified transferees lead directly and proximately to the CTG
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1 bankruptcy.

2 179. CTG's management and controlling shareholder held an ownership interest in CTG
3 and/or exercised complete control over CTG. CTG's management and controlling shareholder
4 controlled the transfer of funds, the ability for CTG to incur obligations, and the ability to direct
5 those purchasing CTG's assets to transfer the proceeds from their sale.

6 180. Plaintiff may avoid each of the transfers and obligations under 11 U.S.C. §§
7 548(a)(1)(A) and 550.

8
9 **F. Avoidance of Constructive Fraudulent Transfers Under 11 U.S.C. § 548(a)(1)(B)**

10 181. Alternatively, in the event an alter ego determination is not made, CTG pleads the
11 following cause of action.

12 182. The foregoing and following paragraphs are hereby incorporated by reference as if
13 fully set forth herein.

14 183. Blue Wolf Capital Partners, acting through its shell companies, and its principals,
15 including Adam Blumenthal, Charles P. Miller, and Haranjeet Narulla, controlled and dominated
16 CTG. CTG's board of directors and management team were controlled by Blue Wolf Capital
17 Partners and carried out its will. Blue Wolf Capital Partners controlled the transfer of funds, and
18 the ability for CTG to incur obligations.

19 184. Blue Wolf Capital Partners, acting through its principals, shell companies, and BW
20 Piezo, forced CTG to assume loans, make loan payments, and pay for BW Piezo and CTG
21 Advanced Materials's debts and liabilities. Upon information and belief, Blue Wolf Capital
22 Partners forced CTG to make the following transfers with property of CTG:
23

24 185. **Grant Thornton, LLP**—CTG transferred \$1,054,753.85 to Grant Thornton, LLP
25 from January 2013 to March 2017. The transfers were made to pay for accounting and financial
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1 services rendered to BW Piezo and CTG Advanced Materials, and CTG did not receive
2 reasonably equivalent value for making these transfers. Blue Wolf Capital Partners forced CTG
3 to pay these expenses to maximize CTG Advanced Materials's assets and value, and thus BW
4 Piezo's assets, upon the sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that
5 paying these expenses would deprive CTG of assets available to CTG's creditors for satisfying
6 their debts when Blue Wolf Capital Partners forced CTG into bankruptcy. The transfers are
7 itemized in the attached **Schedule B**.
8

9 186. **Holland & Knight**—CTG transferred \$789,579.14 to Holland & Knight from
10 December 2012 to September 2016. The transfers were made to pay for legal services rendered
11 to BW Piezo and CTG Advanced Materials, and CTG did not receive reasonably equivalent value
12 for making these transfers. Blue Wolf Capital Partners forced CTG to pay these expenses to
13 maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the
14 sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that paying these expenses
15 would deprive CTG of assets available to CTG's creditors for satisfying their debts when Blue
16 Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the attached
17 **Schedule B**.
18

19 187. **Fidus Investment Corporation and Fidus Mezzanine Capital II, L.P.**—CTG
20 transferred \$1,959,987.31 to Fidus Investment Corporation and Fidus Mezzanine Capital II, L.P.
21 from December 2013 to December 2015. The transfers were loan payments pursuant to the Loan
22 and Investment Agreement entered into by BW Piezo, CTG Advanced Materials, CTG, and
23 Electro Optical Industries for the purchase of HC Materials. If BW Piezo and CTG Advanced
24 Materials are not CTG's alter egos, then CTG received no reasonably equivalent value for making
25 these transfers. Blue Wolf Capital Partners forced CTG to make these transfers to maximize
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1 CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the sale of CTG
2 Advanced Materials. Blue Wolf Capital Partners knew that making these transfers would deprive
3 CTG of assets available to CTG's creditors for satisfying their debts when Blue Wolf Capital
4 Partners forced CTG into bankruptcy. The transfers are itemized in the attached **Schedule B**.

5 188. **Avante Mezzanine Partners SBIC, LP and Avante Mezzanine Partners II,**
6 **Inc.**—CTG transferred \$1,957,300.44 to Avante Mezzanine Partners SBIC, LP and Avante
7 Mezzanine Partners II, Inc. from December 2013 to February 2016. The transfers were loan
8 payments pursuant to the Loan and Investment Agreement entered into by BW Piezo, CTG
9 Advanced Materials, CTG, and Electro Optical Industries for the purchase of HC Materials. If
10 BW Piezo and CTG Advanced Materials are not CTG's alter egos, then CTG received no
11 reasonably equivalent value for making these transfers. Blue Wolf Capital Partners forced CTG
12 to make these transfers to maximize CTG Advanced Materials's assets and value, and thus BW
13 Piezo's assets, upon the sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that
14 making these transfers would deprive CTG of assets available to CTG's creditors for satisfying
15 their debts when Blue Wolf Capital Partners forced CTG into bankruptcy. The transfers are
16 itemized in the attached **Schedule B**.

17 189. **CIT Bank, N.A. (successor in interest of OneWest Bank, N.A.)**—CTG
18 transferred \$ 33,248,711.36 to CIT Bank, N.A. from May 2013 to April 2016. The transfers were
19 loan payments pursuant to a loan agreement entered into by BW Piezo, CTG Advanced Materials,
20 CTG, and Electro Optical Industries for the purchase of HC Materials. If BW Piezo and CTG
21 Advanced Materials are not CTG's alter egos, then CTG received no reasonably equivalent value
22 for making these transfers. Blue Wolf Capital Partners forced CTG to make these transfers to
23 maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the
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1 sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that making these transfers
2 would deprive CTG of assets available to CTG's creditors for satisfying their debts when Blue
3 Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the attached
4 **Schedule B.**

5 190. **Gladstone Investment Corporation**—CTG transferred \$7,576,027.49 to
6 Gladstone Investment Corporation from February 2012 to June 2016. The transfers were
7 distributions made to BW Piezo's and the Blue Wolf Fund's equity owners, and CTG received
8 no reasonably equivalent value for making these transfers. Blue Wolf Capital Partners forced
9 CTG to make these transfers to maximize CTG Advanced Materials's assets and value, and thus
10 BW Piezo's assets, upon the sale of CTG Advanced Materials. Blue Wolf Capital Partners knew
11 that making these transfers would deprive CTG of assets available to CTG's creditors for
12 satisfying their debts when Blue Wolf Capital Partners forced CTG into bankruptcy. The
13 transfers are itemized in the attached **Schedule B.**

14 191. **Raymond James**—CTG transferred \$50,000 to Raymond James on December 11,
15 2015. The transfer was made to pay for financial services rendered to BW Piezo and CTG
16 Advanced Materials, and CTG did not receive reasonably equivalent value for making these
17 transfers. Blue Wolf Capital Partners forced CTG to pay these expenses to maximize CTG
18 Advanced Materials's assets and value, and thus BW Piezo's assets, upon the sale of CTG
19 Advanced Materials. Blue Wolf Capital Partners knew that paying these expenses would deprive
20 CTG of assets available to CTG's creditors for satisfying their debts when Blue Wolf Capital
21 Partners forced CTG into bankruptcy.

22 192. **Blue Wolf Capital Partners**—CTG transferred \$1,984,330.21 to Blue Wolf
23 Capital Partners from January 2013 to May 2016. The transfers were distributions made to BW
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1 Piezo's and the Blue Wolf Fund's equity owners, and CTG received no reasonably equivalent
2 value for making these transfers. Blue Wolf Capital Partners forced CTG to make these transfers
3 to maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the
4 sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that making these transfers
5 would deprive CTG of assets available to CTG's creditors for satisfying their debts when Blue
6 Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the attached
7 **Schedule B.**
8

9 193. **Duff & Phelps**—CTG transferred \$36,995 to Duff & Phelps on April 3, 2015. The
10 transfer was made to pay for legal services rendered to BW Piezo and CTG Advanced Materials,
11 and CTG did not receive reasonably equivalent value for making these transfers. Blue Wolf
12 Capital Partners forced CTG to pay these expenses to maximize CTG Advanced Materials's
13 assets and value, and thus BW Piezo's assets, upon the sale of CTG Advanced Materials. Blue
14 Wolf Capital Partners knew that paying these expenses would deprive CTG of assets available
15 to CTG's creditors for satisfying their debts when Blue Wolf Capital Partners forced CTG into
16 bankruptcy.
17

18 194. **McDermott Will & Emery, LLP**—CTG transferred \$165,365.86 to McDermott
19 Will & Emery, LLP from March 2015 to May 2016. The transfers were made to pay for legal
20 services rendered to CTG Advanced Materials, and CTG did not receive reasonably equivalent
21 value for making these transfers. Blue Wolf Capital Partners forced CTG to pay these expenses
22 to maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the
23 sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that paying these expenses
24 would deprive CTG of assets available to CTG's creditors for satisfying their debts when Blue
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1 Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the attached
2 **Schedule B**.

3 195. **Dorsey & Whitney, LLP**—CTG transferred \$49,022.75 to Dorsey & Whitney,
4 LLP from November 2014 to April 2015. The transfers were made to pay for legal services
5 rendered to BW Piezo and CTG Advanced Materials, and CTG did not receive reasonably
6 equivalent value for making these transfers. Blue Wolf Capital Partners forced CTG to pay these
7 expenses to maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets,
8 upon the sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that paying these
9 expenses would deprive CTG of assets available to CTG's creditors for satisfying their debts
10 when Blue Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the
11 attached **Schedule B**.

12
13 196. CTG did not receive reasonably equivalent value in exchange for the property
14 transferred.

15
16 197. As a result of the transfers and obligations, CTG became insolvent and
17 undercapitalized.

18 198. Additionally, and in the alternative, CTG's management and controlling
19 shareholder intended and knew that the obligations CTG incurred were beyond its ability to pay
20 as the debts matured. *See, e.g.* ¶¶ 44–45; Exs. 10–15.

21 199. The Liquidating Trustee has standing to assert this claim because the creditors
22 listed on **Schedule A** have allowable unsecured claims, pursuant to 11 U.S.C. § 544(b)(1), under
23 California and federal law against CTG.

24
25 200. Plaintiff may avoid each of the transfers and obligations under 11 U.S.C. §
26 548(a)(1)(B).

G. Violation of California Uniform Fraudulent Transfer Act (Actual Fraud)

201. Alternatively, in the event an alter ego determination is not made, CTG pleads the following cause of action.

202. The foregoing and following paragraphs are hereby incorporated by reference as if fully set forth herein.

203. Blue Wolf Capital Partners, acting through its shell companies, and its principals, including Adam Blumenthal, Charles P. Miller, and Haranjeet Narulla, controlled and dominated CTG. CTG's board of directors and management team were controlled by Blue Wolf Capital Partners and carried out its will. Blue Wolf Capital Partners controlled the transfer of funds, and the ability for CTG to incur obligations.

204. Blue Wolf Capital Partners, acting through its principals, shell companies, and BW Piezo, forced CTG to assume loans, make loan payments, and pay for BW Piezo and CTG Advanced Materials's debts and liabilities. Upon information and belief, Blue Wolf Capital Partners forced CTG to make the following transfers with property of CTG:

205. **Grant Thornton, LLP**—CTG transferred \$1,054,753.85 to Grant Thornton, LLP from January 2013 to March 2017. The transfers were made to pay for accounting and financial services rendered to BW Piezo and CTG Advanced Materials, and CTG did not receive reasonably equivalent value for making these transfers. Blue Wolf Capital Partners forced CTG to pay these expenses to maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that paying these expenses would deprive CTG of assets available to CTG's creditors for satisfying their debts when Blue Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the attached **Schedule B**.

1 206. **Holland & Knight**—CTG transferred \$789,579.14 to Holland & Knight from
2 December 2012 to September 2016. The transfers were made to pay for legal services rendered
3 to BW Piezo and CTG Advanced Materials, and CTG did not receive reasonably equivalent value
4 for making these transfers. Blue Wolf Capital Partners forced CTG to pay these expenses to
5 maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the
6 sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that paying these expenses
7 would deprive CTG of assets available to CTG's creditors for satisfying their debts when Blue
8 Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the attached
9 **Schedule B**.
10

11 207. **Fidus Investment Corporation and Fidus Mezzanine Capital II, L.P.**—CTG
12 transferred \$1,959,987.31 to Fidus Investment Corporation and Fidus Mezzanine Capital II, L.P.
13 from December 2013 to December 2015. The transfers were loan payments pursuant to the Loan
14 and Investment Agreement entered into by BW Piezo, CTG Advanced Materials, CTG, and
15 Electro Optical Industries for the purchase of HC Materials. If BW Piezo and CTG Advanced
16 Materials are not CTG's alter egos, then CTG received no reasonably equivalent value for making
17 these transfers. Blue Wolf Capital Partners forced CTG to make these transfers to maximize
18 CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the sale of CTG
19 Advanced Materials. Blue Wolf Capital Partners knew that making these transfers would deprive
20 CTG of assets available to CTG's creditors for satisfying their debts when Blue Wolf Capital
21 Partners forced CTG into bankruptcy. The transfers are itemized in the attached **Schedule B**.
22

23 208. **Avante Mezzanine Partners SBIC, LP and Avante Mezzanine Partners II,**
24 **Inc.**—CTG transferred \$1,957,300.44 to Avante Mezzanine Partners SBIC, LP and Avante
25 Mezzanine Partners II, Inc. from December 2013 to February 2016. The transfers were loan
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1 payments pursuant to the Loan and Investment Agreement entered into by BW Piezo, CTG
2 Advanced Materials, CTG, and Electro Optical Industries for the purchase of HC Materials. If
3 BW Piezo and CTG Advanced Materials are not CTG's alter egos, then CTG received no
4 reasonably equivalent value for making these transfers. Blue Wolf Capital Partners forced CTG
5 to make these transfers to maximize CTG Advanced Materials's assets and value, and thus BW
6 Piezo's assets, upon the sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that
7 making these transfers would deprive CTG of assets available to CTG's creditors for satisfying
8 their debts when Blue Wolf Capital Partners forced CTG into bankruptcy. The transfers are
9 itemized in the attached **Schedule B**.

11 209. **CIT Bank, N.A. (successor in interest of OneWest Bank, N.A.)**—CTG
12 transferred \$ 33,248,711.36 to CIT Bank, N.A. from May 2013 to April 2016. The transfers were
13 loan payments pursuant to a loan agreement entered into by BW Piezo, CTG Advanced Materials,
14 CTG, and Electro Optical Industries for the purchase of HC Materials. If BW Piezo and CTG
15 Advanced Materials are not CTG's alter egos, then CTG received no reasonably equivalent value
16 for making these transfers. Blue Wolf Capital Partners forced CTG to make these transfers to
17 maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the
18 sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that making these transfers
19 would deprive CTG of assets available to CTG's creditors for satisfying their debts when Blue
20 Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the attached
21 **Schedule B**.

23 210. **Gladstone Investment Corporation**—CTG transferred \$7,576,027.49 to
24 Gladstone Investment Corporation from February 2012 to June 2016. The transfers were
25 distributions made to BW Piezo's and the Blue Wolf Fund's equity owners, and CTG received
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1 no reasonably equivalent value for making these transfers. Blue Wolf Capital Partners forced
2 CTG to make these transfers to maximize CTG Advanced Materials's assets and value, and thus
3 BW Piezo's assets, upon the sale of CTG Advanced Materials. Blue Wolf Capital Partners knew
4 that making these transfers would deprive CTG of assets available to CTG's creditors for
5 satisfying their debts when Blue Wolf Capital Partners forced CTG into bankruptcy. The
6 transfers are itemized in the attached **Schedule B**.

7
8 211. **Raymond James**—CTG transferred \$50,000 to Raymond James on December 11,
9 2015. The transfer was made to pay for financial services rendered to BW Piezo and CTG
10 Advanced Materials, and CTG did not receive reasonably equivalent value for making these
11 transfers. Blue Wolf Capital Partners forced CTG to pay these expenses to maximize CTG
12 Advanced Materials's assets and value, and thus BW Piezo's assets, upon the sale of CTG
13 Advanced Materials. Blue Wolf Capital Partners knew that paying these expenses would deprive
14 CTG of assets available to CTG's creditors for satisfying their debts when Blue Wolf Capital
15 Partners forced CTG into bankruptcy.

16
17 212. **Blue Wolf Capital Partners**—CTG transferred \$1,984,330.21 to Blue Wolf
18 Capital Partners from January 2013 to May 2016. The transfers were distributions made to BW
19 Piezo's and the Blue Wolf Fund's equity owners, and CTG received no reasonably equivalent
20 value for making these transfers. Blue Wolf Capital Partners forced CTG to make these transfers
21 to maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the
22 sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that making these transfers
23 would deprive CTG of assets available to CTG's creditors for satisfying their debts when Blue
24 Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the attached
25 **Schedule B**.

1 213. **Duff & Phelps**—CTG transferred \$36,995 to Duff & Phelps on April 3, 2015. The
2 transfer was made to pay for legal services rendered to BW Piezo and CTG Advanced Materials,
3 and CTG did not receive reasonably equivalent value for making these transfers. Blue Wolf
4 Capital Partners forced CTG to pay these expenses to maximize CTG Advanced Materials's
5 assets and value, and thus BW Piezo's assets, upon the sale of CTG Advanced Materials. Blue
6 Wolf Capital Partners knew that paying these expenses would deprive CTG of assets available
7 to CTG's creditors for satisfying their debts when Blue Wolf Capital Partners forced CTG into
8 bankruptcy.
9

10 214. **McDermott Will & Emery, LLP**—CTG transferred \$165,365.86 to McDermott
11 Will & Emery, LLP from March 2015 to May 2016. The transfers were made to pay for legal
12 services rendered to CTG Advanced Materials, and CTG did not receive reasonably equivalent
13 value for making these transfers. Blue Wolf Capital Partners forced CTG to pay these expenses
14 to maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the
15 sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that paying these expenses
16 would deprive CTG of assets available to CTG's creditors for satisfying their debts when Blue
17 Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the attached
18 **Schedule B.**
19

20 215. **Dorsey & Whitney, LLP**—CTG transferred \$49,022.75 to Dorsey & Whitney,
21 LLP from November 2014 to April 2015. The transfers were made to pay for legal services
22 rendered to BW Piezo and CTG Advanced Materials, and CTG did not receive reasonably
23 equivalent value for making these transfers. Blue Wolf Capital Partners forced CTG to pay these
24 expenses to maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets,
25 upon the sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that paying these
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expenses would deprive CTG of assets available to CTG's creditors for satisfying their debts when Blue Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the attached **Schedule B**.

216. CTG transferred the above-listed property in order to benefit insiders of CTG, including BW Piezo and entities owned by Blue Wolf Capital Partners.

217. Details of the transfer of CTG's property were not fully disclosed and remained concealed. In fact, under Blue Wolf Capital Partners' control and Charles Miller acting as CTG's manager, CTG continued to list CTG Advanced Materials as an entity that CTG owned or controlled:

Part 13: Details About the Debtor's Business or Connections to Any Business

25. Other businesses in which the debtor has or has had an interest

List any business for which the debtor was an owner, partner, member, or otherwise a person in control within 6 years before filing this case. Include this information even if already listed in the Schedules.

☐ None

Business name address	Describe the nature of the business	Employer Identification number Do not include Social Security number or ITIN.
25.1. CTG Advanced Materials 479 Quadrangle Drive Bolingbrook, IL 60440	Ceramics production	Dates business existed EIN: 46-3678014 From-To 10/11/2013 to 3/11/2016

Submission of Statement of Financial Affairs, *In re Channel Technologies Group, LLC*, 9:16-BK-11912-PC, ECF No. 114 (Bankr. N.D. Cal., Nov. 16, 2016). Moreover, Blue Wolf Capital Partners, through its shell companies, principals, and BW Piezo, made, and forced CTG, to represent to the public, CTG's creditors, and to the federal government that CTG owned CTG Advanced Materials.

218. The transfers amounted to substantially all CTG's remaining assets. This is a result of Blue Wolf Capital Partners, through its shell companies, including BW Piezo, forcing CTG to guarantee loans, make payments on loans, and pay liabilities and debts for BW Piezo and CTG Advanced Materials.

1 219. CTG did not receive any reasonably equivalent value for the above-listed transfers.

2 220. At the time the transfers and obligations incurred were made, or entered into, Blue
3 Wolf Capital Partners, acting through CTG, understood that causing those transfers and incurring
4 those obligations would inevitably harm CTG's creditors. Blue Wolf Capital Partners knew CTG
5 would be left insolvent and the transfers would reduce the amount of funds available to repay
6 creditors. Blue Wolf Capital Partners, through its domination and control of CTG, knew the true
7 financial straits CTG was in (*see, e.g.* ¶¶ 44–45; Exs. 10–15). Despite this indisputable
8 knowledge, Blue Wolf Capital Partners, by and through its principals, including Blumenthal,
9 Miller, Narulla, and Ranson, as well as BW Piezo, directed CTG to make these transfers for their
10 own benefit and for CTG Advanced Materials's benefit. By doing so, and with the full
11 knowledge that CTG did not have sufficient cash to cover all debts, Blue Wolf Capital Advisors
12 forced CTG to intentionally short-change other creditors, including the unsecured creditors
13 identified in **Schedule A**. This pattern and practice of denuding CTG of funds to pay themselves
14 and the identified transferees lead directly and proximately to the CTG bankruptcy.
15

16 221. Each transfer and obligation incurred was made, or entered into, in furtherance of
17 the scheme perpetrated by CTG's management and controlling shareholder. By causing such
18 transfers to be made, CTG's management and controlling shareholder hoped to enrich themselves
19 from the eventual sale or dissolution of CTG, CTG Advanced Materials, LLC, and Electro
20 Optical Industries.
21

22 222. At the time the transfers and obligations incurred were made, or entered into,
23 CTG's management and controlling shareholder understood that causing those transfers and
24 incurring those obligations would inevitably harm CTG's creditors. CTG's management and
25 controlling shareholder knew CTG would be left insolvent and the transfers would reduce the
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27
28

1 amount of funds available to repay creditors. Blue Wolf Capital Partners, through its domination
2 and control of CTG, knew the true financial straits CTG was in (*see, e.g.* ¶¶ 44–45; Exs. 10–15).
3 Despite this indisputable knowledge, Blue Wolf Capital Partners, by and through its principals,
4 including Blumenthal, Miller, Narulla, and Ranson, as well as BW Piezo, directed CTG to make
5 these transfers for their own benefit and for CTG Advanced Materials’s benefit. By doing so,
6 and with the full knowledge that CTG did not have sufficient cash to cover all debts, Blue Wolf
7 Capital Advisors forced CTG to intentionally short-change other creditors, including the
8 unsecured creditors identified in **Schedule A**. This pattern and practice of denuding CTG of
9 funds to pay themselves and the identified transferees lead directly and proximately to the CTG
10 bankruptcy.
11

12 223. CTG’s management and controlling shareholder held an ownership interest in CTG
13 and/or exercised complete control over CTG. CTG’s management and controlling shareholder
14 controlled the transfer of funds, the ability for CTG to incur obligations, and the ability to direct
15 those purchasing CTG’s assets to transfer the proceeds from their sale.
16

17 **H. Violation of California Uniform Fraudulent Transfer Act (Constructive Fraud)**

18 224. Alternatively, in the event an alter ego determination is not made, CTG pleads the
19 following cause of action.

20 225. The foregoing and following paragraphs are hereby incorporated by reference as if
21 fully set forth herein.
22

23 226. Blue Wolf Capital Partners, acting through its shell companies, and its principals,
24 including Adam Blumenthal, Charles P. Miller, and Haranjeet Narulla, controlled and dominated
25 CTG. CTG’s board of directors and management team were controlled by Blue Wolf Capital
26 Partners and carried out its will. Blue Wolf Capital Partners controlled the transfer of funds, and
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28

1 the ability for CTG to incur obligations.

2 227. Blue Wolf Capital Partners, acting through its principals, shell companies, and BW
3 Piezo, forced CTG to assume loans, make loan payments, and pay for BW Piezo and CTG
4 Advanced Materials's debts and liabilities. Upon information and belief, Blue Wolf Capital
5 Partners forced CTG to make the following transfers with property of CTG:

6 228. **Grant Thornton, LLP**—CTG transferred \$1,054,753.85 to Grant Thornton, LLP
7 from January 2013 to March 2017. The transfers were made to pay for accounting and financial
8 services rendered to BW Piezo and CTG Advanced Materials, and CTG did not receive
9 reasonably equivalent value for making these transfers. Blue Wolf Capital Partners forced CTG
10 to pay these expenses to maximize CTG Advanced Materials's assets and value, and thus BW
11 Piezo's assets, upon the sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that
12 paying these expenses would deprive CTG of assets available to CTG's creditors for satisfying
13 their debts when Blue Wolf Capital Partners forced CTG into bankruptcy. The transfers are
14 itemized in the attached **Schedule B**.
15
16

17 229. **Holland & Knight**—CTG transferred \$789,579.14 to Holland & Knight from
18 December 2012 to September 2016. The transfers were made to pay for legal services rendered
19 to BW Piezo and CTG Advanced Materials, and CTG did not receive reasonably equivalent value
20 for making these transfers. Blue Wolf Capital Partners forced CTG to pay these expenses to
21 maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the
22 sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that paying these expenses
23 would deprive CTG of assets available to CTG's creditors for satisfying their debts when Blue
24 Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the attached
25 **Schedule B**.
26
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28

1 230. **Fidus Investment Corporation and Fidus Mezzanine Capital II, L.P.**—CTG
2 transferred \$1,959,987.31 to Fidus Investment Corporation and Fidus Mezzanine Capital II, L.P.
3 from December 2013 to December 2015. The transfers were loan payments pursuant to the Loan
4 and Investment Agreement entered into by BW Piezo, CTG Advanced Materials, CTG, and
5 Electro Optical Industries for the purchase of HC Materials. If BW Piezo and CTG Advanced
6 Materials are not CTG's alter egos, then CTG received no reasonably equivalent value for making
7 these transfers. Blue Wolf Capital Partners forced CTG to make these transfers to maximize
8 CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the sale of CTG
9 Advanced Materials. Blue Wolf Capital Partners knew that making these transfers would deprive
10 CTG of assets available to CTG's creditors for satisfying their debts when Blue Wolf Capital
11 Partners forced CTG into bankruptcy. The transfers are itemized in the attached **Schedule B**.

12 231. **Avante Mezzanine Partners SBIC, LP and Avante Mezzanine Partners II,**
13 **Inc.**—CTG transferred \$1,957,300.44 to Avante Mezzanine Partners SBIC, LP and Avante
14 Mezzanine Partners II, Inc. from December 2013 to February 2016. The transfers were loan
15 payments pursuant to the Loan and Investment Agreement entered into by BW Piezo, CTG
16 Advanced Materials, CTG, and Electro Optical Industries for the purchase of HC Materials. If
17 BW Piezo and CTG Advanced Materials are not CTG's alter egos, then CTG received no
18 reasonably equivalent value for making these transfers. Blue Wolf Capital Partners forced CTG
19 to make these transfers to maximize CTG Advanced Materials's assets and value, and thus BW
20 Piezo's assets, upon the sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that
21 making these transfers would deprive CTG of assets available to CTG's creditors for satisfying
22 their debts when Blue Wolf Capital Partners forced CTG into bankruptcy. The transfers are
23 itemized in the attached **Schedule B**.

1 232. **CIT Bank, N.A. (successor in interest of OneWest Bank, N.A.)**—CTG
2 transferred \$ 33,248,711.36 to CIT Bank, N.A. from May 2013 to April 2016. The transfers were
3 loan payments pursuant to a loan agreement entered into by BW Piezo, CTG Advanced Materials,
4 CTG, and Electro Optical Industries for the purchase of HC Materials. If BW Piezo and CTG
5 Advanced Materials are not CTG's alter egos, then CTG received no reasonably equivalent value
6 for making these transfers. Blue Wolf Capital Partners forced CTG to make these transfers to
7 maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the
8 sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that making these transfers
9 would deprive CTG of assets available to CTG's creditors for satisfying their debts when Blue
10 Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the attached
11 **Schedule B.**

12
13 233. **Gladstone Investment Corporation**—CTG transferred \$7,576,027.49 to
14 Gladstone Investment Corporation from February 2012 to June 2016. The transfers were
15 distributions made to BW Piezo's and the Blue Wolf Fund's equity owners, and CTG received
16 no reasonably equivalent value for making these transfers. Blue Wolf Capital Partners forced
17 CTG to make these transfers to maximize CTG Advanced Materials's assets and value, and thus
18 BW Piezo's assets, upon the sale of CTG Advanced Materials. Blue Wolf Capital Partners knew
19 that making these transfers would deprive CTG of assets available to CTG's creditors for
20 satisfying their debts when Blue Wolf Capital Partners forced CTG into bankruptcy. The
21 transfers are itemized in the attached **Schedule B.**

22
23
24 234. **Raymond James**—CTG transferred \$50,000 to Raymond James on December 11,
25 2015. The transfer was made to pay for financial services rendered to BW Piezo and CTG
26 Advanced Materials, and CTG did not receive reasonably equivalent value for making these
27
28

1 transfers. Blue Wolf Capital Partners forced CTG to pay these expenses to maximize CTG
2 Advanced Materials's assets and value, and thus BW Piezo's assets, upon the sale of CTG
3 Advanced Materials. Blue Wolf Capital Partners knew that paying these expenses would deprive
4 CTG of assets available to CTG's creditors for satisfying their debts when Blue Wolf Capital
5 Partners forced CTG into bankruptcy.

6 235. **Blue Wolf Capital Partners**—CTG transferred \$1,984,330.21 to Blue Wolf
7 Capital Partners from January 2013 to May 2016. The transfers were distributions made to BW
8 Piezo's and the Blue Wolf Fund's equity owners, and CTG received no reasonably equivalent
9 value for making these transfers. Blue Wolf Capital Partners forced CTG to make these transfers
10 to maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the
11 sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that making these transfers
12 would deprive CTG of assets available to CTG's creditors for satisfying their debts when Blue
13 Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the attached
14 **Schedule B.**
15

16 236. **Duff & Phelps**—CTG transferred \$36,995 to Duff & Phelps on April 3, 2015. The
17 transfer was made to pay for legal services rendered to BW Piezo and CTG Advanced Materials,
18 and CTG did not receive reasonably equivalent value for making these transfers. Blue Wolf
19 Capital Partners forced CTG to pay these expenses to maximize CTG Advanced Materials's
20 assets and value, and thus BW Piezo's assets, upon the sale of CTG Advanced Materials. Blue
21 Wolf Capital Partners knew that paying these expenses would deprive CTG of assets available
22 to CTG's creditors for satisfying their debts when Blue Wolf Capital Partners forced CTG into
23 bankruptcy.
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1 237. **McDermott Will & Emery, LLP**—CTG transferred \$165,365.86 to McDermott
2 Will & Emery, LLP from March 2015 to May 2016. The transfers were made to pay for legal
3 services rendered to CTG Advanced Materials, and CTG did not receive reasonably equivalent
4 value for making these transfers. Blue Wolf Capital Partners forced CTG to pay these expenses
5 to maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets, upon the
6 sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that paying these expenses
7 would deprive CTG of assets available to CTG's creditors for satisfying their debts when Blue
8 Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the attached
9 **Schedule B**.
10

11 238. **Dorsey & Whitney, LLP**—CTG transferred \$49,022.75 to Dorsey & Whitney,
12 LLP from November 2014 to April 2015. The transfers were made to pay for legal services
13 rendered to BW Piezo and CTG Advanced Materials, and CTG did not receive reasonably
14 equivalent value for making these transfers. Blue Wolf Capital Partners forced CTG to pay these
15 expenses to maximize CTG Advanced Materials's assets and value, and thus BW Piezo's assets,
16 upon the sale of CTG Advanced Materials. Blue Wolf Capital Partners knew that paying these
17 expenses would deprive CTG of assets available to CTG's creditors for satisfying their debts
18 when Blue Wolf Capital Partners forced CTG into bankruptcy. The transfers are itemized in the
19 attached **Schedule B**.
20

21 239. CTG did not receive reasonably equivalent value in exchange for the property
22 transferred.
23

24 240. As a result of the transfers and obligations, CTG became insolvent and
25 undercapitalized.

26 241. Additionally, and in the alternative, CTG's management and controlling
27
28

1 shareholder intended and knew that the obligations CTG incurred were beyond its ability to pay
2 as the debts matured. *See, e.g.* ¶¶ 44–45; Exs. 10–15).

3 242. The Liquidating Trustee has standing to assert this claim because the creditors
4 listed on **Schedule A** have allowable unsecured claims, pursuant to 11 U.S.C. § 544(b)(1), under
5 California and federal law against CTG.

6 **I. Conversion**

7 *(Defendants Blue Wolf Capital Partners, Blue Wolf Capital Fund, Blue Wolf Capital*
8 *Advisors, and BW Piezo)*

9 243. The foregoing and following paragraphs are hereby incorporated by reference as if
10 fully set forth herein.

11 244. In the alternative, CTG owned, possessed, or had the rights to immediate
12 possession of the proceeds from the sale of its assets, including those of its subsidiary CTG
13 Advanced Materials. CTG paid for the assets, controlled the assets, and maintained the assets.

14 245. Blue Wolf Capital Partners, acting through its shell companies, principals,
15 including Adam Blumenthal, Charles Miller, Haranjeet Narulla, and Chris Ranson, and BW
16 Piezo, wrongfully exercised dominion or control over the property and distributed to itself the
17 proceeds from selling CTG's assets.
18

19 246. CTG suffered injury as a result including but not limited to actual damages,
20 exemplary damages, pre- and post-judgment interest, and court costs.
21

22 **J. Breach of Duty of Good Faith and Fair Dealing**

23 *(Defendant BW Piezo)*

24 247. The foregoing and following paragraphs are hereby incorporated by reference as if
25 fully set forth herein.
26
27
28

1 248. As the controlling shareholder of CTG, BW Piezo owed CTG a duty of good faith
2 and fair dealing.

3 249. BW Piezo breached this duty by engaging in the following conduct, which includes
4 but is not limited to:

- 5 • Self-dealing, including but not limited to,
 - 6 ○ Pursuing their self-interests at the expense of CTG and their obligations as
 - 7 fiduciaries;
 - 8 ○ Misdirecting CTG funds to pay for undue benefits and distributions for
 - 9 themselves; and
 - 10 ○ Using the advantage of their position to misappropriate CTG's assets and
 - 11 proceeds from the sale of the same to themselves; and
- 12 • Engaging in transactions on behalf of themselves that were not fair and
- 13 equitable to CTG and violated their fiduciary duties to CTG.
- 14 • Diverting funds that would have been retained by CTG, thereby rendering CTG
- 15 insolvent and unable to pay its debts to its creditors.
- 16 • Making improper corporate distribution in violation of California Corporate
- 17 Code sections 17704.05–.06.

18 250. The aforementioned breaches resulted in great damage to CTG's business
19 operations, breaches of ongoing contracts, a severe impairment in the value of CTG, and
20 ultimately a bankruptcy filing by CTG and a liquidation of CTG, all to the detriment of CTG's
21 creditors. As a result, CTG is entitled to damages including but not limited to actual damages,
22 exemplary damages, rescission, an accounting, pre- and post-judgment interest, and court costs.

23 **K. Avoidance and Recovery of Unauthorized Post-Petition Transfers**
24 **Pursuant to 11 U.S.C. § 549**

25 *(Defendant Grant Thornton)*

26 251. The foregoing and following paragraphs are hereby incorporated by reference as if
27 fully set forth herein.

28 252. Plaintiff is a California limited liability company and is the Liquidating Trustee

1 duly appointed under the Chapter 11 Liquidating Plan (“Plan”) of CTG, which was confirmed by
2 order entered March 2, 2018 (“Confirmation Order”).

3 253. The Liquidating Trustee was appointed as of the Effective Date of the Plan, April
4 2, 2018.

5 254. Pursuant to the Confirmation Order and the Plan, the Liquidating Trustee was
6 granted requisite standing and authority to prosecute and pursue causes of action held by the
7 Debtor and Debtor’s bankruptcy estate.
8

9 255. CTG made multiple post-petition payments to Grant Thornton, as follows:

- 10 a) \$3,562.00 on February 8, 2017;
11 b) \$26,000.00 on March 2, 2017;
12 c) \$20,800.00 on March 15, 2017;
13 d) \$20,800 on April 20, 2017; and
14 e) \$51,220.00 on April 26, 2017.
15

16 256. Grant Thornton was not, and never has been, employed and authorized to
17 perform services for CTG pursuant to 11 U.S.C. § 327, and to be compensated for such
18 services pursuant to 11 U.S.C. § 330.

19 257. CRA is informed and believes, and based thereon alleges, that some, it not all, of
20 the post-petition payments CTG made to Grant Thornton were payments made for services
21 performed for non-debtor, third party entities.
22

23 258. CRA is informed and believes, and based thereon alleges, that Grant Thornton was
24 not, and never has been, authorized either by an order of this Court or any provision of the
25 Bankruptcy Code to receive payment from CTG for services Grant Thornton performed for any
26 non-debtor third party.
27
28

1 259. CRA is informed and believes, and based thereon alleges, that CTG's post-petition
2 payments to Grant Thornton totaling \$122,382 were not authorized under any section of the
3 bankruptcy code or any order of this Court.

4 260. Grant Thornton was the initial transferee/recipient of the payments.

5 261. The unauthorized post-petition payments made by CTG to Grant Thornton
6 are voidable pursuant to 11 U.S.C. § 549(a), and recoverable by the Liquidating Trustee for
7 the benefit of creditors in this case pursuant to 11 U.S.C. § 550(a)(1).
8

9 **L. Avoidance and Recovery of Unauthorized Post-Petition Transfers Pursuant to 11**
10 **U.S.C. §544(b)(1) and Cal. Civ. Code § 3439.05**

11 *(Defendant Grant Thornton)*

12 262. The foregoing and following paragraphs are hereby incorporated by reference as if
13 fully set forth herein.

14 263. Plaintiff is a California limited liability company and is the Liquidating Trustee
15 duly appointed under the Chapter 11 Liquidating Plan ("Plan") of CTG, which was confirmed by
16 order entered March 2, 2018 ("Confirmation Order").

17 264. The Liquidating Trustee was appointed as of the Effective Date of the Plan, April
18 2, 2018.

19 265. Pursuant to the Confirmation Order and the Plan, the Liquidating Trustee was
20 granted requisite standing and authority to prosecute and pursue causes of action held by the
21 Debtor and Debtor's bankruptcy estate.

22 266. CTG made multiple post-petition payments to Grant Thornton, as follows:
23

- 24 a) \$3,562.00 on February 8, 2017;
25 b) \$26,000.00 on March 2, 2017;
26 c) \$20,800.00 on March 15, 2017;
27
28

1 d) \$20,800 on April 20, 2017; and

2 e) \$51,220.00 on April 26, 2017.

3 267. Grant Thornton was not, and never has been, employed and authorized to
4 perform services for CTG pursuant to 11 U.S.C. § 327, and to be compensated for such
5 services pursuant to 11 U.S.C. § 330.

6 268. CRA is informed and believes, and based thereon alleges, that some, if not all, of
7 the post-petition payments CTG made to Grant Thornton were payments made for services
8 performed for non-debtor, third party entities.

9 269. CRA is informed and believes, and based thereon alleges, that Grant Thornton was
10 not, and never has been, authorized either by an order of this Court or any provision of the
11 Bankruptcy Code to receive payment from CTG for services Grant Thornton performed for any
12 non-debtor third party.

13 270. CRA is informed and believes, and based thereon alleges, that CTG received less
14 than reasonably equivalent value in exchange for any payments made to Grant Thornton that
15 were made for services performed for the benefit of a non-debtor third party.

16 271. The Trustee is informed and believes, and based thereon alleges, that CTG was
17 insolvent at the time the post-petition payments to Grant Thornton were made.

18 272. There were multiple creditors asserting unsecured claims against the estate of CTG
19 at the time of CTG's transfers to Grant Thornton. Those creditors are listed in the attached

20 **Schedule A.**

21 273. Grant Thornton was the initial transferee/recipient of the payments.
22
23
24
25
26
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1 274. CTG's payments to Grant Thornton are voidable pursuant to 11 U.S.C. §
2 544(b)(1) and Cal. Civ. Code § 3439.05, and recoverable by the Trustee for the benefit of this
3 estate pursuant to 11 U.S.C. §550(a)(1).

4 **L. Avoidance and Recovery of Preferential Transfers Pursuant to 11 U.S.C. §547**

5 *(Defendants Mezzanine Lenders)*

6 275. The foregoing and following paragraphs are hereby incorporated by reference as if
7 fully set forth herein.

8 276. In March 2016, CTG transferred \$7,264,770.39 to Fidus Investment Corporation
9 and Fidus Mezzanine Capital II, L.P.

10 277. In March 2016, CTG transferred \$7,263,263.90 to Avante Mezzanine Partners
11 SBIC, LP.

12 278. In March 2016, CTG transferred \$1,340.39 to Avante Mezzanine Partners II, Inc.

13 279. From October 2015 to December 2015, CTG transferred \$230,144.68 to Fidus
14 Investment Corporation and Fidus Mezzanine Capital II, L.P. The transfers are itemized in the
15 attached **Schedule B**.

16 280. From October 2015 to February 2016, CTG transferred \$229,055.30 to Avante
17 Mezzanine Partners SBIC, LP and Avante Mezzanine Partners II, Inc. from December 2013 to
18 February 2016. The transfers are itemized in the attached **Schedule B**.

19 281. Plaintiff's research and receipt of public records do not reflect any perfected lien
20 by the Mezzanine Lenders as to CTG. Therefore, at best, they would be another unsecured
21 creditor of CTG and should have shared loan repayments with the other unsecured creditors.

22 282. Each of the Preferential Transfers was made within one (1) year prior to the Petition
23 Date ("Preference Period").
24
25
26
27
28

1 283. The Mezzanine Lenders were insiders of CTG as defined in 11 U.S.C. §101(31),
2 when each of the preferential transfers were made.

3 284. The Preferential Transfers were made from property of the Debtor.

4 285. The Mezzanine Lenders were creditors of CTG at the time of the Preferential
5 Transfers within the meaning of 11 U.S.C. § 101(10)(A). At the time of the Preferential Transfers,
6 the Mezzanine Lenders had a right to payment on account of an obligation owed to the Mezzanine
7 Lenders by CTG.
8

9 286. Each of the Preferential Transfers was made on account of an antecedent debt owed
10 by CTG to the Mezzanine Lenders before the Preferential Transfers were made. The Preferential
11 Transfers were each made on account of a debt obligation for which CTG was legally bound to
12 pay to the Mezzanine Lenders pursuant to the terms of a loan and investment agreement.

13 287. The Preferential Transfers were to or for the benefit of a creditor within the
14 meaning of 11 U.S.C. § 547(b)(1) because the Preferential Transfers either reduced or fully
15 satisfied a debt then owed by CTG to the Mezzanine Lenders.
16

17 288. CTG was insolvent at the time of the Preferential Transfers in that the sum of its
18 debts was greater than the fair value of its assets, within the meaning of 11 U.S.C. § 101(32)(A)
19 and 11 U.S.C. § 547(b)(3).
20

21 289. By reason of the Preferential Transfers, the Mezzanine Lenders received more on
22 account of her claim than the Mezzanine Lenders would receive if this case were a case under
23 Chapter 7 of the Bankruptcy Code, the Preferential Transfers had not been made, and the
24 Mezzanine Lenders received payment of such debt to the extent provided by the provisions of
25 the Bankruptcy Code.
26
27
28

290. As of the date hereof, the Defendant has not returned any of the Preferential Transfers to the Debtor.

291. The Plaintiff is entitled to an order and judgment pursuant to 11 U.S.C. § 547 that avoids the Preferential Transfers.

VII.
JURY DEMAND

Plaintiff demands a trial by jury.

VIII.
PRAYER FOR RELIEF

WHEREFORE PREMISES CONSIDERED, upon final trial, CTG prays for the following relief:

- (a) Actual, consequential, and punitive damages against Defendants in an amount to be proven at trial;
- (b) Disgorgement and forfeiture;
- (c) Reasonable and necessary attorneys' fees and court costs;
- (d) Prejudgment and post-judgment interest at the highest lawful rates; and
- (e) All such other relief to which CTG may show itself to be justly entitled.

Respectfully submitted,



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Samuel B. Hardy

shardy@lynnllp.com

Christian Orozco

California State Bar No. 285723

corozco@lynnllp.com

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Dallas, Texas 75201

(214) 981-3800 - Telephone
(214) 981-3839 - Facsimile

**Special Litigation Counsel for
Corporate Recovery Associates, LLC,
Trustee for the Liquidating Trust of
Debtor Channel Technologies Group, LLC**

SCHEDULE A

CTG's Unsecured Creditors

ACF COMPONENTS & FASTENERS INC
ADVANCED CERAMIC TECHNOLOGY
ADVANCED GEOENVIRONMENTAL, INC
ADVANCED MEASUREMENT MACHINES, INC
AIR SCIENCE
ALION
ALL WAYS CLEAN
ALL-CAL EQUIPMENT SERVICES INC.
ALLIANCE FINISHING & MANUFACTURING
ALLIED ELECTRONICS, INC.
ALLSTAR MAGNETICS, LLC
ALTA PROPERTIES, INC. AKA CHANNEL TECHNOLOGIES, INC.
AMAZON.COM
AMERICAN DICING, INC.
ANDON ELECTRONICS CORPORATION
ANTHEM BLUE CROSS
APPLIED CERAMICS INC
AQUA SYSTEMS, INC.
AQUA-FLO SUPPLY
ASSOCIATED VACUUM SERVICES
ASTRO INDUSTRIES, INC.
AT&T
AZ SAFETY
BAE SYSTEMS INFORMATION AND ELECTRONIC SYSTEMS INTEGRATION INC.
BAGHOUSE SERVICES, INC.
BAY ALARM COMPANY
BECKMAN SOFTWARE ENGINEERING
BORRMANN METAL CENTER
BRENNTAG SPECIALTIES
BRYLEN TECHNOLOGIES
BURKE INDUSTRIES
CAL COAST LOCKSMITHS
CAL WEST ENVIRONMENTAL SERVICES, INC.
CALIFORNIA METAL & SUPPLY, INC.
CANON FINANCIAL SERVICES, INC.
CCT PLASTICS
CEC ELECTRICAL SERVICES

1 CELLCO PARTNERSHIP D/B/A VERIZON WIRELESS, ON BEHALF OF ITS AFFILIATES
2 AND SUBSIDIARIES
3 CHANNEL CITY LUMBER
4 CINCINNATI TESTING LABORATORIES, INC.
5 CINTAS DOCUMENT MANAGEMENT
6 CIREXX INTERNATIONAL, INC.
7 CNC MACHINING, INC
8 COAST CARPET CLEANING
9 COAST FLUID-AIRE
10 COCA COLA BOTTLING COMPANY OF NORTHERN NEW ENGLAND
11 COMCAST
12 COMPASS PUBLICATIONS
13 CONTINENTAL DIAMOND TOOL CORP
14 COONER WIRE
15 COOPER CROUSE-HINDS, LLC
16 COR-BRIDGE, INC.
17 CREATIVE MATERIALS, INC.
18 CTS CORPORATION - BOLINGBROOK
19 CTS ELECTRONIC COMPONENTS, INC.
20 DAY ASSOCIATES, INC.
21 DIGI-KEY CORP 2021196
22 DOCUPRODUCTS CORPORATION
23 EIS, INC
24 ELITE METAL FINISHING
25 ELLSWORTH ADHESIVES
26 ENGINEERED SYNTACTIC SYSTEMS
27 ENTERPRISE RIDESHARE
28 ENVIRONMENT ASSOCIATES INC
FARO TECHNOLOGIES INC.
FEDEX
FEDEX FREIGHT
FGL ENVIRONMENTAL
FIRST CHOICE
FORUM US, INC. DBA SYNTECH
FRC-ELECTRICAL INDUSTRIES
FRONTIER COMMUNICATIONS
GASKET SPECIALTIES, INC
GIFFIN RENTAL CORP
GLENAIR, INC.
GLOBAL INDUSTRIAL EQUIPMENT
GOLETA VALLEY PAINT

1 GRAINGER
2 GRAY LIFT
3 GREENE RUBBER COMPANY INC
4 HANNA, CHERYL
5 HENKEL COPRORATION
6 HERAEUS PRECIOUS METALS NORTH AMERICA
7 HIRERIGHT, LLC
8 IAR SYSTEMS SOFTWARE
9 IGO'S WELDING SUPPLY CO., INC.
10 IMARC
11 IMPULSE ADVANCED COMMUNIC
12 INTERSTATE RIGGING, LLC
13 J.R. BARTO HEATING AIR CONDITIONING & SHEET METAL, INC
14 JOY EQUIPMENT PROTECTION, INC
15 KADCO CERAMICS
16 KATS ENTERPRISES, LLC
17 KAVINELLI & SON PLUMBING & HEATING, INC.
18 KAYO DENSHI CO
19 KEMLON PRODUCTS
20 KRAYDEN INC
21 LANDSBERG
22 LANDSBERG ORORA
23 LASER SERVICES
24 LAWRENCE E. PRICE
25 LEAF CAPITAL FUNDING, LLC
26 LEIDOS, INC.
27 LIGHTHOUSE PLACEMENT SERVICES
28 LINDSTROM, BRENT A.
LINTEC OF AMERICA, INC.
LOCKHEED MARTIN CORPORATION - ROTARY AND MISSION SYSTEMS
M & J ENGINEERING
MACARTNEY INC, NORTHEAST
MACHINE EXPERIENCE & DESIGN
MANTRA COMPUTING, INC.
MARBORG INDUSTRIES
MASLENNIKOV, NIKOLAY
MCMASTER-CARR SUPPLY CO
METALMART INTERNATIONAL, INC
METTLER TOLEDO
MILLS MACHINE WORKS, INC.
MINITAB, INC

MISSION LINEN SUPPLY
MI-TECH METALS, INC.
MOBILE MINI
MORGAN ADVANCED CERAMICS, INC.
MORGAN TECHNICAL CERAMICS
MOUSER ELECTRONICS
MSC INDUSTRIAL SUPPLY COMPANY
NATIONAL INSTRUMENTS
NATIONAL WIRE & CABLE CORP
NEW ENGLAND COPY SPECIALISTS
NORTHERN TOOL + EQUIPMENT
NORTHROP GRUMMAN SYSTEMS CORPORATION
NRL & ASSOCIATES INC.
NSL ANALYTICAL SERVICES, INC
OFFICEMAX
OMEGA ENGINEERING
OMNI OXIDE CORP
ONE WAY INDUSTRIAL SUPPLY INC
ONLINESTORES.COM
ORTEGA, ARTURO
PACIFICA SUITES HOTEL
PHILLIPS, RALPH
PHOENIX INTL HOLDINGS
PLEX SYSTEMS, INC
PPG AEROSPACE
PRAIRIE CERAMICS CORP
PRAXAIR DISTRIBUTION INC.
PRECISION SCREW MACHINE PROD
PROTECTIVE WEATHER STRUCTURES, INC.
PROTO LABS, INC.
QUALITY MAGNETICS CORPORATION
QUICKPARTS.COM, INC
R.S. HUGHES CO, INC.
RACO INDUSTRIES LLC
RAMADA SANTA BARBARA
RINCON ENGINEERING CORP.
RONCELLI PLASTICS, INC.
S L FUSCO, INC.
SANSUM CLINIC OCC. MEDICINE
SANTA BARBARA IND. FINISHING
SCHMIDT, GERALD E.

1 SCIENCE APPLICATION INTERNATIONAL
2 SDS SPRAY DRYING SYSTEMS INC
3 SEA TECHNOLOGY
4 SEACON/BRANTNER & ASSOC., INC.
5 SEFAR INC
6 SHAWSHEEN AIR SERVICES, INC
7 SOTHEAR JOHNNY SUY
8 SOUTHERN CALIFORNIA EDISON COMPANY
9 SOUTHWEST IMPREGLOON SALES, INC.
10 SPARKLETTS
11 SPECIALTY TOOL LTD.
12 SPECTRUM CHEMICAL MFG CORP
13 SPHERION
14 SPRAY DRYING SYSTEMS, INC.
15 STAPLES BUSINESS ADVANTAGE
16 STEVEN L. RENICK
17 SUN CONFERENCE
18 SUNSHINE METALS
19 SURMET CORPORATION
20 TEST EQUITY, INC.
21 THE RYDING COMPANY
22 TJ ASSEMBLIES
23 TRAMONTO CIRCUITS
24 TRS CERAMICS, INC., DBA TRS TECHNOLOGIES
25 TTE FILTERS, LLC
26 TURKANA
27 ULINE SHIPPING SUPPLIES
28 UNITED PARCEL SERVICE DOMESTIC
UNITED STATES DEPARTMENT OF DEFENSE
UPS
UT SYSTEM OBO UT AT AUSTIN
UTZ, LLC
VAGA INDUSTRIES
VALLEY SEAL COMPANY
VALUE BASED SOLUTIONS LLC
VERIZON WIRELESS
VOLT
VWR INTERNATIONAL LLC
W.W. GRAINGER
WATER STORE
WHALING WEST PACKAGING CORP

WILLIAMS CONSULTING

SCHEDULE B

GRANT THORNTON, LLP

Date	Initial Transferee	Amount	Beneficiary
1/25/13	GRANT THORNTON LLP	\$13,127.08	BW Piezo
2/22/13	GRANT THORNTON LLP	\$11,440.00	BW Piezo
3/15/13	GRANT THORNTON LLP	\$8,580.00	BW Piezo
3/15/13	GRANT THORNTON LLP	\$8,580.00	BW Piezo
3/15/13	GRANT THORNTON LLP	\$8,580.00	BW Piezo
5/1/13	GRANT THORNTON LLP	\$10,592.00	BW Piezo
5/31/13	GRANT THORNTON LLP	\$27,987.00	BW Piezo
6/14/13	GRANT THORNTON LLP	\$8,174.00	BW Piezo
10/28/13	GRANT THORNTON LLP	\$2,964.00	BW Piezo; CTG Advanced Materials
11/15/13	GRANT THORNTON LLP	\$1,404.00	BW Piezo; CTG Advanced Materials
12/9/13	GRANT THORNTON LLP	\$17,928.00	BW Piezo; CTG Advanced Materials

4/30/14	GRANT THORNTON LLP	\$32,760.00	BW Piezo; CTG Advanced Materials
5/7/14	GRANT THORNTON LLP	\$17,020.00	BW Piezo; CTG Advanced Materials
7/9/14	GRANT THORNTON LLP	\$101,181.00	BW Piezo; CTG Advanced Materials
7/23/14	GRANT THORNTON LLP	\$39,115.52	BW Piezo; CTG Advanced Materials
7/30/14	GRANT THORNTON LLP	\$17,680.00	BW Piezo; CTG Advanced Materials
8/7/14	GRANT THORNTON LLP	\$2,600.00	BW Piezo; CTG Advanced Materials
10/15/14	GRANT THORNTON LLP	\$3,796.00	BW Piezo; CTG Advanced Materials
12/10/14	GRANT THORNTON LLP	\$2,480.00	BW Piezo; CTG Advanced Materials
4/3/15	GRANT THORNTON LLP	\$14,204.01	BW Piezo; CTG Advanced Materials
4/16/15	GRANT THORNTON LLP	\$15,600.00	BW Piezo; CTG Advanced Materials
4/23/15	GRANT THORNTON LLP	\$37,401.27	BW Piezo; CTG Advanced Materials
5/7/15	GRANT THORNTON LLP	\$66,568.84	BW Piezo; CTG Advanced Materials
5/13/15	GRANT THORNTON LLP	\$30,420.00	BW Piezo; CTG Advanced Materials
5/21/15	GRANT THORNTON LLP	\$2,600.00	BW Piezo; CTG Advanced Materials

7/24/15	GRANT THORNTON LLP	\$16,640.00	BW Piezo; CTG Advanced Materials
10/8/15	GRANT THORNTON LLP	\$18,352.91	BW Piezo; CTG Advanced Materials
11/5/15	GRANT THORNTON LLP	\$8,060.00	BW Piezo; CTG Advanced Materials
4/7/16	GRANT THORNTON LLP	\$18,200.00	BW Piezo; CTG Advanced Materials
5/13/16	GRANT THORNTON LLP	\$109,135.77	BW Piezo; CTG Advanced Materials
5/13/16	GRANT THORNTON LLP	\$109,135.77	BW Piezo; CTG Advanced Materials
5/13/16	GRANT THORNTON LLP	\$30,145.00	BW Piezo; CTG Advanced Materials
5/20/16	GRANT THORNTON LLP	\$78,990.77	BW Piezo; CTG Advanced Materials
6/24/16	GRANT THORNTON LLP	\$43,456.97	BW Piezo; CTG Advanced Materials
6/24/16	GRANT THORNTON LLP	\$43,456.97	BW Piezo; CTG Advanced Materials
6/24/16	GRANT THORNTON LLP	\$43,456.97	BW Piezo; CTG Advanced Materials
8/12/16	GRANT THORNTON LLP	\$11,880.00	BW Piezo; CTG Advanced Materials
8/19/16	GRANT THORNTON LLP	\$7,020.00	BW Piezo; CTG Advanced Materials
8/19/16	GRANT THORNTON LLP	\$7,020.00	BW Piezo; CTG Advanced Materials

8/19/16	GRANT THORNTON LLP	\$7,020.00	BW Piezo; CTG Advanced Materials
2/8/17	GRANT THORNTON LLP	\$3,562.00	BW Piezo; CTG Advanced Materials
3/2/17	GRANT THORNTON LLP	\$26,000.00	BW Piezo; CTG Advanced Materials
3/15/17	GRANT THORNTON LLP	\$20,800.00	BW Piezo; CTG Advanced Materials
Total		\$1,105,115.85	

HOLLAND & KNIGHT

Date	Initial Transferee	Amount	Beneficiary
12/20/12	HOLLAND & KNIGHT,LLP	\$10,938.16	BW Piezo
12/20/12	HOLLAND & KNIGHT,LLP	\$4,317.20	BW Piezo
12/20/12	HOLLAND & KNIGHT,LLP	\$39,292.67	BW Piezo
1/18/13	HOLLAND & KNIGHT,LLP	\$6,772.42	BW Piezo
1/31/13	HOLLAND & KNIGHT,LLP	\$7,172.04	BW Piezo
1/31/13	HOLLAND & KNIGHT,LLP	\$7,172.04	BW Piezo
1/31/13	HOLLAND & KNIGHT,LLP	\$7,172.04	BW Piezo
2/22/13	HOLLAND & KNIGHT,LLP	\$31,320.10	BW Piezo
3/15/13	HOLLAND & KNIGHT,LLP	\$3,460.50	BW Piezo
3/15/13	HOLLAND & KNIGHT,LLP	\$3,460.50	BW Piezo
3/15/13	HOLLAND & KNIGHT,LLP	\$3,460.50	BW Piezo
5/1/13	HOLLAND & KNIGHT,LLP	\$54,290.58	BW Piezo
5/31/13	HOLLAND & KNIGHT,LLP	\$7,050.96	BW Piezo
11/6/13	HOLLAND & KNIGHT,LLP	\$69,039.09	BW Piezo; CTG Advanced Materials
12/30/13	HOLLAND & KNIGHT,LLP	\$61,155.89	BW Piezo; CTG Advanced Materials
1/24/14	HOLLAND & KNIGHT,LLP	\$68,125.30	BW Piezo; CTG Advanced Materials
3/6/14	HOLLAND & KNIGHT,LLP	\$2,493.36	BW Piezo; CTG Advanced Materials
4/18/14	HOLLAND & KNIGHT,LLP	\$8,437.54	BW Piezo; CTG Advanced Materials

5/7/14	HOLLAND & KNIGHT,LLP	\$5,985.10	BW Piezo; CTG Advanced Materials
5/16/14	HOLLAND & KNIGHT,LLP	\$2,970.00	BW Piezo; CTG Advanced Materials
7/15/14	HOLLAND & KNIGHT,LLP	\$21,968.55	BW Piezo; CTG Advanced Materials
7/30/14	HOLLAND & KNIGHT,LLP	\$15,757.56	BW Piezo; CTG Advanced Materials
9/5/14	HOLLAND & KNIGHT,LLP	\$18,105.15	BW Piezo; CTG Advanced Materials
10/15/14	HOLLAND & KNIGHT,LLP	\$128,005.31	BW Piezo; CTG Advanced Materials
11/5/14	HOLLAND & KNIGHT,LLP	\$207.50	BW Piezo; CTG Advanced Materials
11/12/14	HOLLAND & KNIGHT,LLP	\$9,802.14	BW Piezo; CTG Advanced Materials
11/26/14	HOLLAND & KNIGHT,LLP	\$23,093.92	BW Piezo; CTG Advanced Materials
12/30/14	HOLLAND & KNIGHT,LLP	\$92,009.26	BW Piezo; CTG Advanced Materials
1/29/15	HOLLAND & KNIGHT,LLP	\$690.00	BW Piezo; CTG Advanced Materials
3/4/15	HOLLAND & KNIGHT,LLP	\$15,498.25	BW Piezo; CTG Advanced Materials
4/3/15	HOLLAND & KNIGHT,LLP	\$8,125.67	BW Piezo; CTG Advanced Materials
5/1/15	HOLLAND & KNIGHT,LLP	\$3,091.54	BW Piezo; CTG Advanced Materials
6/1/15	HOLLAND & KNIGHT,LLP	\$4,598.68	BW Piezo; CTG Advanced Materials
6/4/15	HOLLAND & KNIGHT,LLP	\$216.00	BW Piezo; CTG Advanced Materials
6/12/15	HOLLAND & KNIGHT,LLP	\$11,046.23	BW Piezo; CTG Advanced Materials
7/1/15	HOLLAND & KNIGHT,LLP	\$875.00	BW Piezo; CTG Advanced Materials
10/15/15	HOLLAND & KNIGHT,LLP	\$5,589.58	BW Piezo; CTG Advanced Materials
12/18/15	HOLLAND & KNIGHT,LLP	\$3,403.50	BW Piezo; CTG Advanced Materials

1/22/16	HOLLAND & KNIGHT,LLP	\$3,840.81	BW Piezo; CTG Advanced Materials
2/24/16	HOLLAND & KNIGHT,LLP	\$6,144.50	BW Piezo; CTG Advanced Materials
9/30/16	HOLLAND & KNIGHT,LLP	\$13,424.00	BW Piezo; CTG Advanced Materials
Total		\$789,579.14	

DUFF & PHELPS

Date	Initial Transferee	Amount	Beneficiary
4/3/15	DUFF & PHELPS, LLC	\$36,995.00	BW Piezo; CTG Advanced Materials

AVANTE MEZZANINE PARTNERS SBIC, LP

Date	Initial Transferee	Amount	Beneficiary
12/19/13	AVANTE MEZZANINE PARTNERS SBIC, LP	\$195,319.45	BW Piezo; CTG Advanced Materials; Electro Optical Industries
3/26/14	AVANTE MEZZANINE PARTNERS SBIC, LP	\$214,375.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
6/30/14	AVANTE MEZZANINE PARTNERS SBIC, LP	\$216,756.95	BW Piezo; CTG Advanced Materials; Electro Optical Industries
8/14/14	AVANTE MEZZANINE PARTNERS SBIC, LP	\$497.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9/30/14	AVANTE MEZZANINE PARTNERS SBIC, LP	\$219,138.89	BW Piezo; CTG Advanced Materials; Electro Optical Industries
12/31/14	AVANTE MEZZANINE PARTNERS SBIC, LP	\$219,138.89	BW Piezo; CTG Advanced Materials; Electro Optical Industries
3/31/15	AVANTE MEZZANINE PARTNERS SBIC, LP	\$214,375.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
6/30/15	AVANTE MEZZANINE PARTNERS SBIC, LP	\$216,756.95	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7/16/15	AVANTE MEZZANINE PARTNERS SBIC, LP	\$3,803.67	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9/30/15	AVANTE MEZZANINE	\$228,083.34	BW Piezo; CTG Advanced Materials; Electro Optical Industries

	PARTNERS SBIC, LP		
12/31/15	AVANTE MEZZANINE PARTNERS SBIC, LP	\$228,083.34	BW Piezo; CTG Advanced Materials; Electro Optical Industries
2/18/16	AVANTE MEZZANINE PARTNERS SBIC, LP	\$971.96	BW Piezo; CTG Advanced Materials; Electro Optical Industries
Total		\$1,957,300.4 4	

BLUE WOLF CAPITAL PARTNERS

Date	Initial Transferee	Amount	Beneficiary
1/10/13	BLUE WOLF CAPITAL PARTNERS	\$84,375.00	Blue Wolf Capital Partners
2/1/13	BLUE WOLF CAPITAL PARTNERS	\$77,700.51	Blue Wolf Capital Partners
3/28/13	BLUE WOLF CAPITAL PARTNERS	\$84,375.00	Blue Wolf Capital Partners
4/25/13	BLUE WOLF CAPITAL PARTNERS	\$39,923.90	Blue Wolf Capital Partners
7/11/13	BLUE WOLF CAPITAL PARTNERS	\$84,375.00	Blue Wolf Capital Partners
10/24/13	BLUE WOLF CAPITAL PARTNERS	\$35,767.67	Blue Wolf Capital Partners
10/15/13	BLUE WOLF CAPITAL PARTNERS	\$84,375.00	Blue Wolf Capital Partners
10/10/13	BLUE WOLF CAPITAL PARTNERS	\$116,589.50	Blue Wolf Capital Partners
1/9/14	BLUE WOLF CAPITAL PARTNERS	\$125,000.00	Blue Wolf Capital Partners
4/10/14	BLUE WOLF CAPITAL PARTNERS	\$125,000.00	Blue Wolf Capital Partners
7/2/14	BLUE WOLF CAPITAL PARTNERS	\$125,000.00	Blue Wolf Capital Partners
10/16/14	BLUE WOLF CAPITAL PARTNERS	\$125,000.00	Blue Wolf Capital Partners
1/9/15	BLUE WOLF CAPITAL PARTNERS	\$125,000.00	Blue Wolf Capital Partners

4/7/15	BLUE WOLF CAPITAL PARTNERS	\$125,000.00	Blue Wolf Capital Partners
7/3/15	BLUE WOLF CAPITAL PARTNERS	\$125,000.00	Blue Wolf Capital Partners
10/16/15	BLUE WOLF CAPITAL PARTNERS	\$125,000.00	Blue Wolf Capital Partners
12/18/15	BLUE WOLF CAPITAL PARTNERS	\$126,848.63	Blue Wolf Capital Partners
5/13/16	BLUE WOLF CAPITAL PARTNERS	\$125,000.00	Blue Wolf Capital Partners
5/13/16	BLUE WOLF CAPITAL PARTNERS	\$125,000.00	Blue Wolf Capital Partners
Total		\$1,984,330.21	

CIT BANK, N.A.

Date	Initial Transferee	Amount	Beneficiary
5/31/13	CIT BANK, N.A.	\$14,259.96	BW Piezo
6/28/13	CIT BANK, N.A.	\$1,597.09	BW Piezo
6/28/13	CIT BANK, N.A.	\$17,618.77	BW Piezo
7/24/13	CIT BANK, N.A.	\$120,213.65	BW Piezo
7/31/13	CIT BANK, N.A.	\$20,937.22	BW Piezo
7/31/13	CIT BANK, N.A.	\$20,937.22	BW Piezo
8/29/13	CIT BANK, N.A.	\$21,376.97	BW Piezo
9/30/13	CIT BANK, N.A.	\$20,577.06	BW Piezo
10/11/13	CIT BANK, N.A.	\$1,000,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10/23/13	CIT BANK, N.A.	\$500,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10/23/13	CIT BANK, N.A.	\$200,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
11/14/13	CIT BANK, N.A.	\$129,524.89	BW Piezo; CTG Advanced Materials; Electro Optical Industries
11/14/13	CIT BANK, N.A.	\$129,524.89	BW Piezo; CTG Advanced Materials; Electro Optical Industries
11/25/13	CIT BANK, N.A.	\$300,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
12/13/13	CIT BANK, N.A.	\$129,340.44	BW Piezo; CTG Advanced Materials; Electro Optical Industries
12/19/13	CIT BANK, N.A.	\$460,700.28	BW Piezo; CTG Advanced Materials; Electro Optical Industries
12/20/13	CIT BANK, N.A.	\$1,840.94	BW Piezo; CTG Advanced Materials; Electro Optical Industries
1/6/14	CIT BANK, N.A.	\$400,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries

1	1/8/14	CIT BANK, N.A.	\$500,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
2	1/15/14	CIT BANK, N.A.	\$123,853.42	BW Piezo; CTG Advanced Materials; Electro Optical Industries
3	1/15/14	CIT BANK, N.A.	\$123,853.42	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4	2/3/14	CIT BANK, N.A.	\$1,964.53	BW Piezo; CTG Advanced Materials; Electro Optical Industries
5	2/3/14	CIT BANK, N.A.	\$1,964.53	BW Piezo; CTG Advanced Materials; Electro Optical Industries
6	2/4/14	CIT BANK, N.A.	\$200,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7	2/12/14	CIT BANK, N.A.	\$139,996.06	BW Piezo; CTG Advanced Materials; Electro Optical Industries
8	2/12/14	CIT BANK, N.A.	\$139,996.06	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9	2/20/14	CIT BANK, N.A.	\$575,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10	3/3/14	CIT BANK, N.A.	\$1,714.42	BW Piezo; CTG Advanced Materials; Electro Optical Industries
11	3/3/14	CIT BANK, N.A.	\$1,714.42	BW Piezo; CTG Advanced Materials; Electro Optical Industries
12	3/3/14	CIT BANK, N.A.	\$1,714.42	BW Piezo; CTG Advanced Materials; Electro Optical Industries
13	3/13/14	CIT BANK, N.A.	\$116,517.08	BW Piezo; CTG Advanced Materials; Electro Optical Industries
14	3/13/14	CIT BANK, N.A.	\$116,517.08	BW Piezo; CTG Advanced Materials; Electro Optical Industries
15	3/13/14	CIT BANK, N.A.	\$116,517.08	BW Piezo; CTG Advanced Materials; Electro Optical Industries
16	3/26/14	CIT BANK, N.A.	\$387,500.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
17	3/26/14	CIT BANK, N.A.	\$387,500.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
18	3/26/14	CIT BANK, N.A.	\$387,500.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
19	3/28/14	CIT BANK, N.A.	\$400,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
20	3/31/14	CIT BANK, N.A.	\$40,991.98	BW Piezo; CTG Advanced Materials; Electro Optical Industries

3/31/14	CIT BANK, N.A.	\$100,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
3/31/14	CIT BANK, N.A.	\$40,991.98	BW Piezo; CTG Advanced Materials; Electro Optical Industries
3/31/14	CIT BANK, N.A.	\$40,991.98	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4/2/14	CIT BANK, N.A.	\$1,896.38	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4/2/14	CIT BANK, N.A.	\$1,896.38	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4/4/14	CIT BANK, N.A.	\$50,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4/14/14	CIT BANK, N.A.	\$1,517.45	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4/14/14	CIT BANK, N.A.	\$1,517.45	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4/14/14	CIT BANK, N.A.	\$1,517.45	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4/16/14	CIT BANK, N.A.	\$400,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4/17/14	CIT BANK, N.A.	\$195,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4/22/14	CIT BANK, N.A.	\$100,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4/22/14	CIT BANK, N.A.	\$142,764.38	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4/22/14	CIT BANK, N.A.	\$20,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4/22/14	CIT BANK, N.A.	\$142,764.38	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4/30/14	CIT BANK, N.A.	\$700,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4/30/14	CIT BANK, N.A.	\$450,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
5/6/14	CIT BANK, N.A.	\$2,017.13	BW Piezo; CTG Advanced Materials; Electro Optical Industries
5/6/14	CIT BANK, N.A.	\$2,017.13	BW Piezo; CTG Advanced Materials; Electro Optical Industries
5/6/14	CIT BANK, N.A.	\$2,017.13	BW Piezo; CTG Advanced Materials; Electro Optical Industries

1	5/8/14	CIT BANK, N.A.	\$500,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
2	5/14/14	CIT BANK, N.A.	\$1,467.50	BW Piezo; CTG Advanced Materials; Electro Optical Industries
3	5/14/14	CIT BANK, N.A.	\$1,467.50	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4	5/14/14	CIT BANK, N.A.	\$1,467.50	BW Piezo; CTG Advanced Materials; Electro Optical Industries
5	5/14/14	CIT BANK, N.A.	\$1,467.50	BW Piezo; CTG Advanced Materials; Electro Optical Industries
6	5/14/14	CIT BANK, N.A.	\$1,467.50	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7	5/14/14	CIT BANK, N.A.	\$1,467.50	BW Piezo; CTG Advanced Materials; Electro Optical Industries
8	5/15/14	CIT BANK, N.A.	\$400,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9	5/22/14	CIT BANK, N.A.	\$121,880.38	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10	5/22/14	CIT BANK, N.A.	\$121,880.38	BW Piezo; CTG Advanced Materials; Electro Optical Industries
11	5/22/14	CIT BANK, N.A.	\$121,880.38	BW Piezo; CTG Advanced Materials; Electro Optical Industries
12	5/22/14	CIT BANK, N.A.	\$121,880.38	BW Piezo; CTG Advanced Materials; Electro Optical Industries
13	5/22/14	CIT BANK, N.A.	\$121,880.38	BW Piezo; CTG Advanced Materials; Electro Optical Industries
14	5/23/14	CIT BANK, N.A.	\$200,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
15	6/5/14	CIT BANK, N.A.	\$1,894.66	BW Piezo; CTG Advanced Materials; Electro Optical Industries
16	6/16/14	CIT BANK, N.A.	\$1,613.73	BW Piezo; CTG Advanced Materials; Electro Optical Industries
17	6/23/14	CIT BANK, N.A.	\$11,727.34	BW Piezo; CTG Advanced Materials; Electro Optical Industries
18	6/30/14	CIT BANK, N.A.	\$573,620.27	BW Piezo; CTG Advanced Materials; Electro Optical Industries
19	7/2/14	CIT BANK, N.A.	\$400,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
20	7/2/14	CIT BANK, N.A.	\$100,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
21	7/2/14	CIT BANK, N.A.	\$35,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
22	7/7/14	CIT BANK, N.A.	\$1,895.30	BW Piezo; CTG Advanced Materials; Electro Optical Industries
23	7/7/14	CIT BANK, N.A.	\$1,895.30	BW Piezo; CTG Advanced Materials; Electro Optical Industries
24				
25				
26				
27				
28				

7/7/14	CIT BANK, N.A.	\$1,895.30	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7/9/14	CIT BANK, N.A.	\$245,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7/9/14	CIT BANK, N.A.	\$1,500,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7/16/14	CIT BANK, N.A.	\$1,467.25	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7/16/14	CIT BANK, N.A.	\$1,467.25	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7/16/14	CIT BANK, N.A.	\$600,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7/16/14	CIT BANK, N.A.	\$1,467.25	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7/16/14	CIT BANK, N.A.	\$12,475.37	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7/16/14	CIT BANK, N.A.	\$12,475.37	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7/18/14	CIT BANK, N.A.	\$700,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7/23/14	CIT BANK, N.A.	\$11,008.12	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7/23/14	CIT BANK, N.A.	\$11,008.12	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7/23/14	CIT BANK, N.A.	\$11,008.12	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7/31/14	CIT BANK, N.A.	\$113,038.13	BW Piezo; CTG Advanced Materials; Electro Optical Industries
8/1/14	CIT BANK, N.A.	\$600,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
8/7/14	CIT BANK, N.A.	\$1,896.81	BW Piezo; CTG Advanced Materials; Electro Optical Industries
8/7/14	CIT BANK, N.A.	\$1,896.81	BW Piezo; CTG Advanced Materials; Electro Optical Industries
8/8/14	CIT BANK, N.A.	\$119,968.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
8/13/14	CIT BANK, N.A.	\$189,295.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
8/14/14	CIT BANK, N.A.	\$1,467.34	BW Piezo; CTG Advanced Materials; Electro Optical Industries

8/14/14	CIT BANK, N.A.	\$1,467.34	BW Piezo; CTG Advanced Materials; Electro Optical Industries
8/21/14	CIT BANK, N.A.	\$11,011.88	BW Piezo; CTG Advanced Materials; Electro Optical Industries
8/28/14	CIT BANK, N.A.	\$105,877.54	BW Piezo; CTG Advanced Materials; Electro Optical Industries
8/28/14	CIT BANK, N.A.	\$70,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
8/28/14	CIT BANK, N.A.	\$105,877.54	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9/3/14	CIT BANK, N.A.	\$25,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9/4/14	CIT BANK, N.A.	\$105,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9/8/14	CIT BANK, N.A.	\$1,959.34	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9/8/14	CIT BANK, N.A.	\$1,959.34	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9/8/14	CIT BANK, N.A.	\$1,959.34	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9/15/14	CIT BANK, N.A.	\$1,517.28	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9/15/14	CIT BANK, N.A.	\$1,517.28	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9/16/14	CIT BANK, N.A.	\$1,000,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9/22/14	CIT BANK, N.A.	\$11,379.58	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9/22/14	CIT BANK, N.A.	\$11,379.58	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9/29/14	CIT BANK, N.A.	\$811,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9/29/14	CIT BANK, N.A.	\$89,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9/30/14	CIT BANK, N.A.	\$116,875.47	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9/30/14	CIT BANK, N.A.	\$4,812.50	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9/30/14	CIT BANK, N.A.	\$9,072.22	BW Piezo; CTG Advanced Materials; Electro Optical Industries

9/30/14	CIT BANK, N.A.	\$52,979.45	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9/30/14	CIT BANK, N.A.	\$571,239.64	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10/8/14	CIT BANK, N.A.	\$1,835.87	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10/8/14	CIT BANK, N.A.	\$1,835.87	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10/15/14	CIT BANK, N.A.	\$1,467.86	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10/15/14	CIT BANK, N.A.	\$1,467.86	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10/22/14	CIT BANK, N.A.	\$11,008.75	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10/22/14	CIT BANK, N.A.	\$11,008.75	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10/22/14	CIT BANK, N.A.	\$11,008.75	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10/29/14	CIT BANK, N.A.	\$125,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10/30/14	CIT BANK, N.A.	\$400,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10/31/14	CIT BANK, N.A.	\$111,684.22	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10/31/14	CIT BANK, N.A.	\$200,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10/31/14	CIT BANK, N.A.	\$111,684.22	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10/31/14	CIT BANK, N.A.	\$111,684.22	BW Piezo; CTG Advanced Materials; Electro Optical Industries
11/6/14	CIT BANK, N.A.	\$1,834.59	BW Piezo; CTG Advanced Materials; Electro Optical Industries
11/6/14	CIT BANK, N.A.	\$1,834.59	BW Piezo; CTG Advanced Materials; Electro Optical Industries
11/6/14	CIT BANK, N.A.	\$1,834.59	BW Piezo; CTG Advanced Materials; Electro Optical Industries
11/10/14	CIT BANK, N.A.	\$40,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
11/12/14	CIT BANK, N.A.	\$1,467.57	BW Piezo; CTG Advanced Materials; Electro Optical Industries

1	11/12/14	CIT BANK, N.A.	\$1,467.57	BW Piezo; CTG Advanced Materials; Electro Optical Industries
2	11/12/14	CIT BANK, N.A.	\$1,467.57	BW Piezo; CTG Advanced Materials; Electro Optical Industries
3	11/14/14	CIT BANK, N.A.	\$500,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4	11/19/14	CIT BANK, N.A.	\$11,014.25	BW Piezo; CTG Advanced Materials; Electro Optical Industries
5	11/19/14	CIT BANK, N.A.	\$11,014.25	BW Piezo; CTG Advanced Materials; Electro Optical Industries
6	11/19/14	CIT BANK, N.A.	\$20,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7	11/19/14	CIT BANK, N.A.	\$11,014.25	BW Piezo; CTG Advanced Materials; Electro Optical Industries
8	11/25/14	CIT BANK, N.A.	\$100,876.07	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9	11/25/14	CIT BANK, N.A.	\$100,876.07	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10	11/25/14	CIT BANK, N.A.	\$100,876.07	BW Piezo; CTG Advanced Materials; Electro Optical Industries
11	12/4/14	CIT BANK, N.A.	\$40,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
12	12/8/14	CIT BANK, N.A.	\$1,896.81	BW Piezo; CTG Advanced Materials; Electro Optical Industries
13	12/8/14	CIT BANK, N.A.	\$1,896.81	BW Piezo; CTG Advanced Materials; Electro Optical Industries
14	12/8/14	CIT BANK, N.A.	\$1,896.81	BW Piezo; CTG Advanced Materials; Electro Optical Industries
15	12/15/14	CIT BANK, N.A.	\$1,516.52	BW Piezo; CTG Advanced Materials; Electro Optical Industries
16	12/15/14	CIT BANK, N.A.	\$1,516.52	BW Piezo; CTG Advanced Materials; Electro Optical Industries
17	12/15/14	CIT BANK, N.A.	\$1,516.52	BW Piezo; CTG Advanced Materials; Electro Optical Industries
18	12/22/14	CIT BANK, N.A.	\$11,379.58	BW Piezo; CTG Advanced Materials; Electro Optical Industries
19	12/22/14	CIT BANK, N.A.	\$11,379.58	BW Piezo; CTG Advanced Materials; Electro Optical Industries
20	12/22/14	CIT BANK, N.A.	\$11,379.58	BW Piezo; CTG Advanced Materials; Electro Optical Industries

1	12/23/14	CIT BANK, N.A.	\$45,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
2	12/31/14	CIT BANK, N.A.	\$700,200.39	BW Piezo; CTG Advanced Materials; Electro Optical Industries
3	12/31/14	CIT BANK, N.A.	\$4,531.95	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4	12/31/14	CIT BANK, N.A.	\$7,990.28	BW Piezo; CTG Advanced Materials; Electro Optical Industries
5	12/31/14	CIT BANK, N.A.	\$56,576.71	BW Piezo; CTG Advanced Materials; Electro Optical Industries
6	12/31/14	CIT BANK, N.A.	\$13,872.60	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7	12/31/14	CIT BANK, N.A.	\$700,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
8	12/31/14	CIT BANK, N.A.	\$700,200.39	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9	12/31/14	CIT BANK, N.A.	\$82,971.54	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10	1/8/15	CIT BANK, N.A.	\$1,897.54	BW Piezo; CTG Advanced Materials; Electro Optical Industries
11	1/8/15	CIT BANK, N.A.	\$1,897.54	BW Piezo; CTG Advanced Materials; Electro Optical Industries
12	1/8/15	CIT BANK, N.A.	\$1,897.54	BW Piezo; CTG Advanced Materials; Electro Optical Industries
13	1/9/15	CIT BANK, N.A.	\$98,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
14	1/15/15	CIT BANK, N.A.	\$1,519.27	BW Piezo; CTG Advanced Materials; Electro Optical Industries
15	1/15/15	CIT BANK, N.A.	\$1,519.27	BW Piezo; CTG Advanced Materials; Electro Optical Industries
16	1/22/15	CIT BANK, N.A.	\$11,406.58	BW Piezo; CTG Advanced Materials; Electro Optical Industries
17	1/28/15	CIT BANK, N.A.	\$89,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
18	1/28/15	CIT BANK, N.A.	\$99,807.84	BW Piezo; CTG Advanced Materials; Electro Optical Industries
19	1/29/15	CIT BANK, N.A.	\$250,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
20	2/5/15	CIT BANK, N.A.	\$1,963.45	BW Piezo; CTG Advanced Materials; Electro Optical Industries

1	2/5/15	CIT BANK, N.A.	\$1,963.45	BW Piezo; CTG Advanced Materials; Electro Optical Industries
2	2/6/15	CIT BANK, N.A.	\$43,160.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
3	2/11/15	CIT BANK, N.A.	\$1,619.39	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4	2/19/15	CIT BANK, N.A.	\$11,782.67	BW Piezo; CTG Advanced Materials; Electro Optical Industries
5	2/20/15	CIT BANK, N.A.	\$38,780.90	BW Piezo; CTG Advanced Materials; Electro Optical Industries
6	2/26/15	CIT BANK, N.A.	\$93,180.33	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7	3/5/15	CIT BANK, N.A.	\$1,842.08	BW Piezo; CTG Advanced Materials; Electro Optical Industries
8	3/12/15	CIT BANK, N.A.	\$1,474.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9	3/19/15	CIT BANK, N.A.	\$10,321.50	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10	3/31/15	CIT BANK, N.A.	\$652,200.77	BW Piezo; CTG Advanced Materials; Electro Optical Industries
11	3/31/15	CIT BANK, N.A.	\$81,115.76	BW Piezo; CTG Advanced Materials; Electro Optical Industries
12	3/31/15	CIT BANK, N.A.	\$81,115.76	BW Piezo; CTG Advanced Materials; Electro Optical Industries
13	3/31/15	CIT BANK, N.A.	\$79,271.38	BW Piezo; CTG Advanced Materials; Electro Optical Industries
14	4/9/15	CIT BANK, N.A.	\$1,844.38	BW Piezo; CTG Advanced Materials; Electro Optical Industries
15	4/16/15	CIT BANK, N.A.	\$1,574.22	BW Piezo; CTG Advanced Materials; Electro Optical Industries
16	4/16/15	CIT BANK, N.A.	\$1,574.22	BW Piezo; CTG Advanced Materials; Electro Optical Industries
17	4/22/15	CIT BANK, N.A.	\$11,426.73	BW Piezo; CTG Advanced Materials; Electro Optical Industries
18	4/22/15	CIT BANK, N.A.	\$11,426.73	BW Piezo; CTG Advanced Materials; Electro Optical Industries
19	4/30/15	CIT BANK, N.A.	\$97,991.92	BW Piezo; CTG Advanced Materials; Electro Optical Industries
20	4/30/15	CIT BANK, N.A.	\$97,991.92	BW Piezo; CTG Advanced Materials; Electro Optical Industries

1	4/30/15	CIT BANK, N.A.	\$97,991.92	BW Piezo; CTG Advanced Materials; Electro Optical Industries
2	5/4/15	CIT BANK, N.A.	\$64,923.30	BW Piezo; CTG Advanced Materials; Electro Optical Industries
3	5/6/15	CIT BANK, N.A.	\$1,907.77	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4	5/6/15	CIT BANK, N.A.	\$1,907.77	BW Piezo; CTG Advanced Materials; Electro Optical Industries
5	5/13/15	CIT BANK, N.A.	\$9,970.87	BW Piezo; CTG Advanced Materials; Electro Optical Industries
6	5/13/15	CIT BANK, N.A.	\$1,476.85	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7	5/13/15	CIT BANK, N.A.	\$11,447.72	BW Piezo; CTG Advanced Materials; Electro Optical Industries
8	5/28/15	CIT BANK, N.A.	\$94,859.23	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9	5/28/15	CIT BANK, N.A.	\$94,859.23	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10	6/11/15	CIT BANK, N.A.	\$1,908.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
11	6/11/15	CIT BANK, N.A.	\$1,908.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
12	6/17/15	CIT BANK, N.A.	\$12,193.50	BW Piezo; CTG Advanced Materials; Electro Optical Industries
13	6/17/15	CIT BANK, N.A.	\$1,625.80	BW Piezo; CTG Advanced Materials; Electro Optical Industries
14	6/17/15	CIT BANK, N.A.	\$13,819.30	BW Piezo; CTG Advanced Materials; Electro Optical Industries
15	6/30/15	CIT BANK, N.A.	\$650,371.04	BW Piezo; CTG Advanced Materials; Electro Optical Industries
16	6/30/15	CIT BANK, N.A.	\$3,993.06	BW Piezo; CTG Advanced Materials; Electro Optical Industries
17	6/30/15	CIT BANK, N.A.	\$7,772.92	BW Piezo; CTG Advanced Materials; Electro Optical Industries
18	6/30/15	CIT BANK, N.A.	\$62,239.72	BW Piezo; CTG Advanced Materials; Electro Optical Industries
19	6/30/15	CIT BANK, N.A.	\$15,395.20	BW Piezo; CTG Advanced Materials; Electro Optical Industries
20	6/30/15	CIT BANK, N.A.	\$650,371.04	BW Piezo; CTG Advanced Materials; Electro Optical Industries

1	6/30/15	CIT BANK, N.A.	\$89,400.90	BW Piezo; CTG Advanced Materials; Electro Optical Industries
2	7/13/15	CIT BANK, N.A.	\$1,972.23	BW Piezo; CTG Advanced Materials; Electro Optical Industries
3	7/22/15	CIT BANK, N.A.	\$11,091.88	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4	7/22/15	CIT BANK, N.A.	\$1,478.92	BW Piezo; CTG Advanced Materials; Electro Optical Industries
5	7/22/15	CIT BANK, N.A.	\$12,570.80	BW Piezo; CTG Advanced Materials; Electro Optical Industries
6	7/22/15	CIT BANK, N.A.	\$12,570.80	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7	7/30/15	CIT BANK, N.A.	\$99,370.29	BW Piezo; CTG Advanced Materials; Electro Optical Industries
8	7/30/15	CIT BANK, N.A.	\$99,370.29	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9	7/30/15	CIT BANK, N.A.	\$99,370.29	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10	8/13/15	CIT BANK, N.A.	\$1,910.24	BW Piezo; CTG Advanced Materials; Electro Optical Industries
11	8/13/15	CIT BANK, N.A.	\$1,910.24	BW Piezo; CTG Advanced Materials; Electro Optical Industries
12	8/13/15	CIT BANK, N.A.	\$1,910.24	BW Piezo; CTG Advanced Materials; Electro Optical Industries
13	8/19/15	CIT BANK, N.A.	\$13,834.88	BW Piezo; CTG Advanced Materials; Electro Optical Industries
14	8/27/15	CIT BANK, N.A.	\$89,813.50	BW Piezo; CTG Advanced Materials; Electro Optical Industries
15	8/27/15	CIT BANK, N.A.	\$89,813.50	BW Piezo; CTG Advanced Materials; Electro Optical Industries
16	9/10/15	CIT BANK, N.A.	\$1,974.87	BW Piezo; CTG Advanced Materials; Electro Optical Industries
17	9/10/15	CIT BANK, N.A.	\$1,974.87	BW Piezo; CTG Advanced Materials; Electro Optical Industries
18	9/10/15	CIT BANK, N.A.	\$1,974.87	BW Piezo; CTG Advanced Materials; Electro Optical Industries
19	9/24/15	CIT BANK, N.A.	\$13,029.78	BW Piezo; CTG Advanced Materials; Electro Optical Industries
20	9/30/15	CIT BANK, N.A.	\$3,088.89	BW Piezo; CTG Advanced Materials; Electro Optical Industries
21	9/30/15	CIT BANK, N.A.	\$7,505.55	BW Piezo; CTG Advanced Materials; Electro Optical Industries
22	9/30/15	CIT BANK, N.A.	\$75,079.45	BW Piezo; CTG Advanced Materials; Electro Optical Industries
23	9/30/15	CIT BANK, N.A.	\$75,079.45	BW Piezo; CTG Advanced Materials; Electro Optical Industries
24	9/30/15	CIT BANK, N.A.	\$20,087.68	BW Piezo; CTG Advanced Materials; Electro Optical Industries
25	9/30/15	CIT BANK, N.A.	\$106,053.09	BW Piezo; CTG Advanced Materials; Electro Optical Industries
26	9/30/15	CIT BANK, N.A.	\$106,053.09	BW Piezo; CTG Advanced Materials; Electro Optical Industries
27	9/30/15	CIT BANK, N.A.	\$545,672.82	BW Piezo; CTG Advanced Materials; Electro Optical Industries
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1	9/30/15	CIT BANK, N.A.	\$106,053.09	BW Piezo; CTG Advanced Materials; Electro Optical Industries
2	9/30/15	CIT BANK, N.A.	\$105,761.57	BW Piezo; CTG Advanced Materials; Electro Optical Industries
3	9/30/15	CIT BANK, N.A.	\$545,672.82	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4	10/8/15	CIT BANK, N.A.	\$25,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
5	10/8/15	CIT BANK, N.A.	\$25,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
6	10/14/15	CIT BANK, N.A.	\$1,856.81	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7	10/14/15	CIT BANK, N.A.	\$1,856.81	BW Piezo; CTG Advanced Materials; Electro Optical Industries
8	10/22/15	CIT BANK, N.A.	\$11,853.34	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9	10/22/15	CIT BANK, N.A.	\$1,580.44	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10	10/22/15	CIT BANK, N.A.	\$13,433.78	BW Piezo; CTG Advanced Materials; Electro Optical Industries
11	10/30/15	CIT BANK, N.A.	\$94,295.90	BW Piezo; CTG Advanced Materials; Electro Optical Industries
12	10/30/15	CIT BANK, N.A.	\$94,295.90	BW Piezo; CTG Advanced Materials; Electro Optical Industries
13	11/9/15	CIT BANK, N.A.	\$4,977.11	BW Piezo; CTG Advanced Materials; Electro Optical Industries
14	11/9/15	CIT BANK, N.A.	\$4,977.11	BW Piezo; CTG Advanced Materials; Electro Optical Industries
15	11/12/15	CIT BANK, N.A.	\$2,038.14	BW Piezo; CTG Advanced Materials; Electro Optical Industries
16	11/12/15	CIT BANK, N.A.	\$2,038.14	BW Piezo; CTG Advanced Materials; Electro Optical Industries
17	11/25/15	CIT BANK, N.A.	\$11,858.53	BW Piezo; CTG Advanced Materials; Electro Optical Industries
18	11/25/15	CIT BANK, N.A.	\$1,581.14	BW Piezo; CTG Advanced Materials; Electro Optical Industries
19	11/25/15	CIT BANK, N.A.	\$13,439.67	BW Piezo; CTG Advanced Materials; Electro Optical Industries
20	11/30/15	CIT BANK, N.A.	\$97,322.88	BW Piezo; CTG Advanced Materials; Electro Optical Industries

1	11/30/15	CIT BANK, N.A.	\$97,322.88	BW Piezo; CTG Advanced Materials; Electro Optical Industries
2	12/9/15	CIT BANK, N.A.	\$9,815.49	BW Piezo; CTG Advanced Materials; Electro Optical Industries
3	12/9/15	CIT BANK, N.A.	\$11,111.87	BW Piezo; CTG Advanced Materials; Electro Optical Industries
4	12/9/15	CIT BANK, N.A.	\$20,927.36	BW Piezo; CTG Advanced Materials; Electro Optical Industries
5	12/16/15	CIT BANK, N.A.	\$1,852.92	BW Piezo; CTG Advanced Materials; Electro Optical Industries
6	12/31/15	CIT BANK, N.A.	\$2,190.97	BW Piezo; CTG Advanced Materials; Electro Optical Industries
7	12/31/15	CIT BANK, N.A.	\$842.36	BW Piezo; CTG Advanced Materials; Electro Optical Industries
8	12/31/15	CIT BANK, N.A.	\$59,031.17	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9	12/31/15	CIT BANK, N.A.	\$9,616.43	BW Piezo; CTG Advanced Materials; Electro Optical Industries
10	12/31/15	CIT BANK, N.A.	\$44,437.50	BW Piezo; CTG Advanced Materials; Electro Optical Industries
11	12/31/15	CIT BANK, N.A.	\$12,679.17	BW Piezo; CTG Advanced Materials; Electro Optical Industries
12	12/31/15	CIT BANK, N.A.	\$825,833.92	BW Piezo; CTG Advanced Materials; Electro Optical Industries
13	12/31/15	CIT BANK, N.A.	\$957.18	BW Piezo; CTG Advanced Materials; Electro Optical Industries
14	12/31/15	CIT BANK, N.A.	\$1,690.55	BW Piezo; CTG Advanced Materials; Electro Optical Industries
15	12/31/15	CIT BANK, N.A.	\$841,160.82	BW Piezo; CTG Advanced Materials; Electro Optical Industries
16	12/31/15	CIT BANK, N.A.	\$116,118.43	BW Piezo; CTG Advanced Materials; Electro Optical Industries
17	1/8/16	CIT BANK, N.A.	\$23,497.87	BW Piezo; CTG Advanced Materials; Electro Optical Industries
18	1/8/16	CIT BANK, N.A.	\$1,285.33	BW Piezo; CTG Advanced Materials; Electro Optical Industries
19	1/28/16	CIT BANK, N.A.	\$119,573.10	BW Piezo; CTG Advanced Materials; Electro Optical Industries
20	2/25/16	CIT BANK, N.A.	\$137,939.23	BW Piezo; CTG Advanced Materials; Electro Optical Industries

4/4/16	CIT BANK, N.A.	\$50,000.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
		\$33,248,711.3 6	
	Total		

FIDUS MEZZANINE CAPITAL II, L.P.

Date	Initial Transferee	Amount	Beneficiary
12/20/13	FIDUS MEZZANINE CAPITAL II, L.P.	\$195,319.45	BW Piezo; CTG Advanced Materials; Electro Optical Industries
3/26/14	FIDUS MEZZANINE CAPITAL II, L.P.	\$216,553.37	BW Piezo; CTG Advanced Materials; Electro Optical Industries
6/30/14	FIDUS MEZZANINE CAPITAL II, L.P.	\$216,756.95	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9/30/14	FIDUS MEZZANINE CAPITAL II, L.P.	\$220,941.90	BW Piezo; CTG Advanced Materials; Electro Optical Industries
12/31/14	FIDUS MEZZANINE CAPITAL II, L.P.	\$221,055.67	BW Piezo; CTG Advanced Materials; Electro Optical Industries
3/31/15	FIDUS MEZZANINE CAPITAL II, L.P.	\$214,375.00	BW Piezo; CTG Advanced Materials; Electro Optical Industries
6/30/15	FIDUS MEZZANINE CAPITAL II, L.P.	\$216,756.95	BW Piezo; CTG Advanced Materials; Electro Optical Industries
9/30/15	FIDUS MEZZANINE CAPITAL II, L.P.	\$228,083.34	BW Piezo; CTG Advanced Materials; Electro Optical Industries
12/31/15	FIDUS MEZZANINE CAPITAL II, L.P.	\$228,083.34	BW Piezo; CTG Advanced Materials; Electro Optical Industries
12/31/15	FIDUS MEZZANINE	\$2,061.34	BW Piezo; CTG Advanced Materials; Electro Optical Industries

	CAPITAL II, L.P.		
Total		\$1,959,987.31	

GLADSTONE INVESTMENT CORPORATION

Date	Initial Transferee	Amount	Beneficiary
2/2/12	GLADSTONE INVESTMENT CORPORATION	\$173,435.43	BW Piezo
2/29/12	GLADSTONE INVESTMENT CORPORATION	\$147,930.21	BW Piezo
3/1/12	GLADSTONE INVESTMENT CORPORATION	\$900,000.00	BW Piezo
4/30/12	GLADSTONE INVESTMENT CORPORATION	\$155,742.70	BW Piezo
5/31/12	GLADSTONE INVESTMENT CORPORATION	\$160,968.89	BW Piezo
6/8/12	GLADSTONE INVESTMENT CORPORATION	\$1,003.07	BW Piezo
6/29/12	GLADSTONE INVESTMENT CORPORATION	\$229,214.37	BW Piezo
7/31/12	GLADSTONE INVESTMENT CORPORATION	\$160,413.53	BW Piezo
9/6/12	GLADSTONE INVESTMENT CORPORATION	\$2,330.17	BW Piezo
9/26/12	GLADSTONE INVESTMENT CORPORATION	\$450,000.00	BW Piezo
9/26/12	GLADSTONE INVESTMENT CORPORATION	\$450,000.00	BW Piezo
10/1/12	GLADSTONE INVESTMENT CORPORATION	\$228,709.47	BW Piezo
12/3/12	GLADSTONE INVESTMENT CORPORATION	\$154,766.58	BW Piezo

12/3/12	GLADSTONE INVESTMENT CORPORATION	\$154,766.58	BW Piezo
12/14/12	GLADSTONE INVESTMENT CORPORATION	\$1,429.56	BW Piezo
12/14/12	GLADSTONE INVESTMENT CORPORATION	\$1,429.56	BW Piezo
12/27/12	GLADSTONE INVESTMENT CORPORATION	\$235,496.82	BW Piezo
12/27/12	GLADSTONE INVESTMENT CORPORATION	\$25,000.00	BW Piezo
12/28/12	GLADSTONE INVESTMENT CORPORATION	\$500,000.00	BW Piezo
12/28/12	GLADSTONE INVESTMENT CORPORATION	\$500,000.00	BW Piezo
1/31/13	GLADSTONE INVESTMENT CORPORATION	\$160,486.47	BW Piezo
2/27/13	GLADSTONE INVESTMENT CORPORATION	\$145,844.25	BW Piezo
2/27/13	GLADSTONE INVESTMENT CORPORATION	\$1,273.52	BW Piezo
2/27/13	GLADSTONE INVESTMENT CORPORATION	\$145,844.25	BW Piezo
2/27/13	GLADSTONE INVESTMENT CORPORATION	\$1,273.52	BW Piezo
3/28/13	GLADSTONE INVESTMENT CORPORATION	\$271,626.42	BW Piezo
3/28/13	GLADSTONE INVESTMENT CORPORATION	\$271,626.42	BW Piezo

4/12/13	GLADSTONE INVESTMENT CORPORATION	\$15,000.00	BW Piezo
4/30/13	GLADSTONE INVESTMENT CORPORATION	\$148,136.99	BW Piezo
5/30/13	GLADSTONE INVESTMENT CORPORATION	\$148,136.99	BW Piezo
6/13/13	GLADSTONE INVESTMENT CORPORATION	\$153,153.13	BW Piezo
6/28/13	GLADSTONE INVESTMENT CORPORATION	\$5,792.84	BW Piezo
7/31/13	GLADSTONE INVESTMENT CORPORATION	\$258,368.71	BW Piezo
7/31/13	GLADSTONE INVESTMENT CORPORATION	\$156,146.75	BW Piezo
8/29/13	GLADSTONE INVESTMENT CORPORATION	\$156,146.75	BW Piezo
9/30/13	GLADSTONE INVESTMENT CORPORATION	\$155,913.57	BW Piezo
9/30/13	GLADSTONE INVESTMENT CORPORATION	\$261,040.10	BW Piezo
10/15/13	GLADSTONE INVESTMENT CORPORATION	\$261,040.10	BW Piezo; CTG Advanced Materials
10/15/13	GLADSTONE INVESTMENT CORPORATION	\$65,439.56	BW Piezo; CTG Advanced Materials
11/12/13	GLADSTONE INVESTMENT CORPORATION	\$65,439.56	BW Piezo; CTG Advanced Materials
4/17/14	GLADSTONE INVESTMENT CORPORATION	\$65,439.56	BW Piezo; CTG Advanced Materials

1		GLADSTONE		
2	4/17/14	INVESTMENT		
3		CORPORATION	\$11,435.71	BW Piezo; CTG Advanced Materials
4	8/8/14	GLADSTONE		
5		INVESTMENT	\$11,435.71	BW Piezo; CTG Advanced Materials
6	8/8/14	CORPORATION	\$2,032.50	BW Piezo; CTG Advanced Materials
7	7/17/15	GLADSTONE		
8		INVESTMENT	\$2,032.50	BW Piezo; CTG Advanced Materials
9	12/18/15	CORPORATION	\$1,195.91	BW Piezo; CTG Advanced Materials
10	6/10/16	GLADSTONE		
11		INVESTMENT	\$1,104.87	BW Piezo; CTG Advanced Materials
12		Total	\$7,576,027.49	

MCDERMOTT WILL & EMERY LLP

Date	Initial Transferee	Amount	Beneficiary
3/11/15	MCDERMOTT WILL & EMERY LLP	\$20,000.00	CTG Advanced Materials
11/5/15	MCDERMOTT WILL & EMERY LLP	\$20,000.00	CTG Advanced Materials
11/25/15	MCDERMOTT WILL & EMERY LLP	\$10,000.00	CTG Advanced Materials
12/3/15	MCDERMOTT WILL & EMERY LLP	\$10,000.00	CTG Advanced Materials
12/10/15	MCDERMOTT WILL & EMERY LLP	\$33,355.57	CTG Advanced Materials
5/25/16	MCDERMOTT WILL & EMERY LLP	\$24,003.43	CTG Advanced Materials
5/26/16	MCDERMOTT WILL & EMERY LLP	\$24,003.43	CTG Advanced Materials
5/26/16	MCDERMOTT WILL & EMERY LLP	\$24,003.43	CTG Advanced Materials
Total		\$165,365.86	

RAYMOND JAMES & ASSOCIATES, INC

Date	Initial Transferee	Amount	Beneficiary
12/11/15	RAYMOND JAMES & ASSOCIATES, INC	\$50,000.00	BW Piezo; CTG Advanced Materials

DORSEY & WHITNEY, LLP

Date	Initial Transferee	Amount	Beneficiary
11/5/14	DORSEY & WHITNEY, LLP	\$15,939.50	BW Piezo; CTG Advanced Materials
11/12/14	DORSEY & WHITNEY, LLP	\$4,056.50	BW Piezo; CTG Advanced Materials
11/26/14	DORSEY & WHITNEY, LLP	\$2,706.00	BW Piezo; CTG Advanced Materials
1/14/15	DORSEY & WHITNEY, LLP	\$10,852.06	BW Piezo; CTG Advanced Materials
1/21/15	DORSEY & WHITNEY, LLP	\$4,238.00	BW Piezo; CTG Advanced Materials
3/18/15	DORSEY & WHITNEY, LLP	\$8,558.00	BW Piezo; CTG Advanced Materials
4/3/15	DORSEY & WHITNEY, LLP	\$2,672.69	BW Piezo; CTG Advanced Materials
	Total	\$49,022.75	